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FBI BUDGET AND OVERSIGHT FOR FISCAL YEAR 1987

HEARING

BEFORE THE

SUBCOMMITTEE ON SECURITY AND TERRORISM

OF THE

COMMITTEE ON THE JUDICIARY UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

ON

THE FISCAL YEAR 1987 FBI BUDGET AUTHORIZATION AND A REVIEW OF OPERATIONS OF THE FEDERAL BUREAU OF INVESTIGATION FOR CALENDAR YEAR 1985

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CONTENTS

STATEMENTS OF COMMITTEE MEMBERS

Page

McConnell, Hon. Mitch, a U.S. Senator from the State of Kentucky 1
Denton, Hon. Jeremiah, a U.S. Senator from the State of Alabama 1
Hatch, Hon. Orrin G., a U.S. Senator from the State of Utah 5
Leahy, Hon. Patrick J., a U.S. Senator from the State of Vermont 14, 17

WITNESS

Webster, William H., Director, Federal Bureau of Investigation, Washington, DC 6
Prepared statement 37
Letter to Senator Denton, July 14, 1986, with responses to questions submitted by Senators Denton, Leahy, and Simon 48
Letter to Senator Denton, September 5, 1986, with responses to questions submitted by Senator Hatch 85

MATERIAL SUBMITTED FOR THE RECORD

Denton, Hon. Jeremiah:
Letters from:
Bill R. Myers, president, Alabama Chapter FBINA, National Academy Associates, February 25, 1986 23
Jerald R. Vaughn, executive director, International Association of Chiefs of Police, Inc., Gaithersburg, MD, March 7, 1986 25
Michael P. Nolin, director, public participation, Water Supply and Pollution Control Commission, State of New Hampshire, March 7, 1986 26
James D. Phillips, chief of police, Tarrant, AL, March 18, 1986 27
Richard W. Presgrave, chief of police, city of Harrisonburg, VA, March 31, 1986 28
Arthur G. Bastian, chief of police, Newport Police Department, March 31, 1986 29
Keith I. Chandler, chief of police, city of Melbourne Police Department, April 10, 1986 31
Letter to Hon. Edward Zorinsky, from Douglas A. Ahlberg, captain, Lincoln Police Department, February 26, 1986 24
Letter to Hon. James J. Florio, from Thomas P. Reilly, chief of police, Woodbury Heights Police Department, April 4, 1986 30

FBI BUDGET AND OVERSIGHT FOR FISCAL YEAR 1987

WEDNESDAY, APRIL 30, 1986

U.S. SENATE,
SUBCOMMITTEE ON SECURITY AND TERRORISM,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:10 a.m., in room SD-226, Dirksen Senate Office Building, Hon. Jeremiah Denton (chairman of the subcommittee) presiding.

Also present: Senators McConnell and Leahy.

Staff present: Joel Lisker, chief counsel and staff director; Ron LeMay, staff assistant; and Fran Wermuth, chief clerk.

OPENING STATEMENT OF HON. MITCH McCONNELL, A U.S. SENATOR FROM THE STATE OF KENTUCKY

Senator MCCONNELL. Senator Denton is on the way and, as is often the case around here, I am on the way to the Intelligence Committee for a briefing on the matters of the last few days.

I just wanted to stop by before going to the Intelligence Committee and tell you what a fine job I think that you are doing at the FBI.

Judge WEBSTER. Thank you, Senator, I appreciate that very much.

Senator MCCONNELL. And I am sure that Senator Denton will be here momentarily and, in fact, here he comes now.

Good to see you, sir.

Judge WEBSTER. Thank you.

OPENING STATEMENT OF HON. JEREMIAH DENTON, A U.S. SENATOR FROM THE STATE OF ALABAMA, CHAIRMAN, SUBCOMMITTEE ON SECURITY AND TERRORISM

Senator DENTON. Good morning. The hearing will come to order.

I want to welcome our witness, the Honorable William Webster, Director, Federal Bureau of Investigation.

Senator McConnell, my distinguished colleague from Kentucky, has already made his remarks and had to depart. I will commence my opening statement.

The Subcommittee on Security and Terrorism meets today to hold an open oversight hearing on the fiscal year 1987 FBI budget authorization and a review of operations of the Federal Bureau of Investigation for calendar year 1985. A separate closed hearing on the classified portion of the FBI budget was held on April 15.

The subcommittee would like to welcome Judge William Webster again, who just returned from The Hague where he, the Attorney General, and Ambassador Oakley met with our EEC allies with respect to the need for greater threat assessment in matters relating to terrorist activity. I hope this effort which is geared toward improvement in the exchange of quality intelligence will enable us better to develop our collective response capability to terrorism. We will certainly be interested in hearing what you can tell us today about those events. We look forward to a very informative morning.

In that general respect of terrorism, the Senate did pass the nuclear power plant security bill, S. 274, and is now pending on the House side. There is no indication that the Chernobyl Plant, near Kiev, was any kind of sabotage or terrorist work, but our own nuclear plants are subject to such a disaster at the hands of terrorists and we will rejoice when that bill clears Congress and is signed by the President.

Today, as we review the Bureau's accomplishments during the past year and some of the events which have affected its operations, we will also examine the Bureau's budgetary requirements for fiscal year 1987. Part of this subcommittee's responsibility is to ensure that the Bureau has the necessary resources: manpower, equipment, and legislative authority to carry out the mandate of Congress and the American people in all areas of its jurisdiction and, specifically, in the areas of counterterrorism, foreign counterintelligence, organized crime, and white-collar crime.

It is especially in these areas of responsibility that the subcommittee wishes to ensure also that the policies of the Bureau and those of the Government, that directly affect the Bureau, best serve our country.

At this critical time in our country's experience with international terrorism and drug trafficking, it would seem to me that we need to continue to maintain our current resources if we are to meet the demands that are being placed on the Bureau by potential terrorist groups, illegal drug traffickers and money launderers, to name but a few.

I am sure that Judge Webster agrees that the Bureau must have the cooperation of the State, county, and local law enforcement agencies, and that even with the outstanding capabilities of the FBI, in most cases, these local officers will be making the first contact in critical, highly volatile situations. It seems to me, therefore, that those officers must have the specialized training and support which only the Bureau can provide.

Given the enormous size of this country, it is likely that in any terrorist situation, local, county, and State police forces will be the first on the scene. The FBI has an awesome responsibility to these professionals and to the country as a whole to maintain a direct link and support for them through general law enforcement training, training in hostage negotiations, availability of the hostage rescue and SWAT teams, providing laboratory and identification divisions services, and maintaining the National Criminal Information Center. On the other side of the coin are the services that these State and local agencies provide to the Bureau on a daily basis, such as participating in joint task forces, locating of fugi-

tives, locating stolen vehicles, conducting local background investigations, and so forth. It is important that State and local police cooperation with all Federal law enforcement officials, especially the FBI, continue and, where possible, be expanded.

At a time when there appears to be an increasing amount of criminal activity and we are faced with the possibility of importation of foreign terrorist activity, I am concerned that the Bureau may be considering cuts in its training programs including transportation, housing, and subsistance expenses that will directly affect the training of local, county, and State police officers who, for example, as a result of these cuts may not be able to attend the FBI Academy. I was present yesterday, when Senator Thurmond was questioning and hearing from Attorney General Meese, and I heard Attorney General Meese state that transportation, housing, and subsistence to local police would be shifted, the expenses for those would be shifted from the Federal Government to the local government. Certainly we are all interested in reducing the deficit. But I think that we had better take a look at that. It certainly is conceivable that some of these local and State governments may decide to initiate reciprocal charges to the Bureau for services that they in turn provide to agents of the FBI at the street level.

In other words, it might cost the FBI more in the long run financially, as well as cost to the whole country in terms of security. So, I will be asking you, Judge Webster, who knows much more about this, specific questions on that issue as we delve into the budget this morning.

Judge Webster, the subcommittee—and its chairman in particular—would like to commend you and your associates in the Bureau for the many successes which you achieved during the past year. The Bureau's work in the terrorism and the counterintelligence field has been extraordinary and it is noteworthy the confidence that the American people placed in that Bureau is more than justified by the results which you all have achieved.

I note with sadness, the successes were not without cost, and four of your special agents, Jerry Dove, Ben Grogan, Jim McAllister, and Robin Aherns were lost. Their sacrifice is exemplary of the dedication that is typical of FBI agents in the whole Nation. And we feel gratitude and sorrow.

The FBI has previously pointed out, in oversight hearings before this subcommittee, that there are numerous facilities and installations within the United States where terrorists could obtain a multitude of weapons and explosives to be used in terrorist activity, thereby circumventing international border searches or the effect of them. That fact of availability within this country of those weapons, coupled with the ready made army of criminals currently being held in our overcrowded prison system with many of them perforce being released before they would be otherwise, seems to demonstrate that a high-risk situation may be developing, and I would hope that the Bureau is directing its investigative efforts to prevent such a situation from erupting. For example, the numerous military facilities and installations; National Guard armories and so on, weapons manufacturing plants that could serve effectively as weapons warehouses for potential terrorists within the borders of this country and the apparent lack of security that exists to protect

against possible theft from these facilities, should be of concern to all of us.

We are looking into the wisdom of proposing minimum security requirements for these installations, either by regulation or by legislation. However, in the interim, I would hope that the FBI through its established liaison will do what it can to alert these companies of the potential increased threat.

The fact that many of these installations, as well as manufacturers of civilian and military weapons, are not required by law to have security protective devices, seems to only enhance the opportunity of the terrorist to obtain these weapons. We are not talking here about so-called Saturday Night Specials, but AR-15's, M-16's, assault weapons, grenades and so on. It is apparent that many high-technology companies have better security systems and personnel trained in security techniques than a number of arms and ammunition manufacturers.

At last year's oversight hearing, you stated a commitment on behalf of the FBI to end the tragedy of missing children. I commend you and thank you for living up to that commitment this past year; a year with the assistance of the Bureau which saw the reuniting of Joshua Akil, Rickey DeVaney, and Christopher Fulmer with their lawful custodial parents. We all want to thank you for the Bureau's assistance in these cases, and we encourage you to keep up the good work in that direction, so that other missing children's cases can have a similar happy ending.

And I hear expressions of gratitude all over the Nation in letters and personally when I travel.

Judge Webster, the arrest and conviction of 57 individuals and the additional indictment of 18 persons as a result of the Bureau's undercover operations, code name "Pharmoney," also involving the recovery of some $600,000 of adulterated and outdated prescription drugs, hopefully will send a message to the pharmaceutical companies of the need to use more caution in distributing their prescription drugs. Moreover, the Bureau's success in its investigation of the Los Macheteros case and the subsequent indictment of 17 members of this terrorist group for their role in the $7 million Wells Fargo robbery in West Hartford, CT, is commendable and another splendid example of the Bureau in action. This lengthy and complex investigation required concurrent investigations, searches, and arrests in the United States, Puerto Rico, and Mexico. The confiscation during 37 searches of numerous firearms, homemade grenades, and LAWS rocket items, clearly precluded their use against businesses and Government establishments which undoubtedly saved numerous lives.

The FBI's action with the arrests of five Sikhs in New Orleans in connection with a plot to assassinate Bajan Lal, Chief Minister of the State of Haryana, India, and the subsequent arrest of a fifth member of that group, prevented the group's assassination of India's Prime Minister Rajiv Ghandi during his visit to the United States in June.

I think that this case also serves as an example of the close communications that exist between the Bureau and the New Orleans Police Department, since it is through this relationship that the arrests occurred.

In this hearing, we will be looking into other relationships between the Bureau and local police departments through the mechanism of FBI Academy training.

I would conclude by stating, once again, that you, Judge Webster, and the men and women of the FBI have our greatest admiration and respect and I want to assure you that this subcommittee is determined to ensure that the Bureau has the necessary resources to continue its outstanding efforts in the tradition of professionalism which has been the hallmark over the past eight decades of dedication, and tradition which may be even more necessary for our country's security and well-being in these contemporary times.

Welcome, again, Judge.

I do not see any other colleagues at the moment. But, I do have a prepared statement by Senator Hatch to place in the record at this time.

[The prepared statement of Senator Hatch follows:]

PREPARED STATEMENT OF HON. ORRIN G. HATCH, A U.S. SENATOR FROM THE STATE OF UTAH

Mr. Chairman, I commend you for your willingness to hold this hearing and to examine the problems posed by domestic and international terrorism. I believe that today's hearing represents another step forward in the continuing fight against terrorism, both foreign and domestic. The terrorist threat abroad (and potentially here at home) has reached such serious levels that a renewed effort to combat the terrorist challenge has become an absolute necessity in order to insure the safety of American lives here and beyond our borders.

Although the executive branch has the primary responsibility for the conduct of foreign policy and the enforcement of the law, the U.S. Senate is directly involved in writing those laws and in seeing that the national security is effectively preserved. Recent hijackings and hostagetaking incidents, primarily overseas, have dramatized for all of us the need for a stronger and more effective approach to terrorism by the U.S. Government. I should note that airport security has recently been strengthened in our country, and that the FBI's tracking of potential terrorist individuals and groups certainly has aided in the protection of air terminals and innocent passengers.

So far we have been fortunate in the low number of domestic terrorist incidents in the United States, according to statistics provided by the Bureau. They amounted to only 13 in 1984 and merely 7 in 1985, as I recall the figures. But the number of international terrorist incidents throughout the globe during the past 2 years is in itself frightening—more than 600 for 1984, 480 for the first 8 months of 1985, and 705 overall for that same year. International terrorism increased 20 percent in 1984 and 25 percent during 1985.

Over 40 percent of the worldwide total of international terrorist incidents in the 1980's have been directed against American citizens abroad. I regret to say that international law has yet to take a forceful stand against the continuing onslaught of terrorist violence. On the domestic level, the Congress will continue to work closely with the executive branch to combat the terrorism of the future, and that means, of course, we will work closely with the FBI in any way we can. I wish to congratulate you, Judge Webster, for the numerous successes you have had—23 in all I believe—in aborting planned domestic terrorist incidents during the past year.

Despite the excellent work of the FBI, and despite the splendid cooperation that you have given to this committee and to the Congress, Mr. Director, I feel that something additional has to be done to alert the public to the dangers of the terrorist threat, and more has to be done to aid law enforcement agencies—such as the FBI—in their determined efforts to combat that threat. This hearing helps to achieve that end.

Any input of the FBI into the legislative process is both useful and important, Mr. Chairman, and I again commend you for holding this hearing this morning.

STATEMENT OF WILLIAM H. WEBSTER, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION, WASHINGTON, DC

Judge WEBSTER. Thank you, Mr. Chairman.

First, I want to thank you very sincerely for your statement just now and for the support that you have consistently given to effective law enforcement.

I am pleased to appear before you, again, at the annual authorization hearings regarding the Federal Bureau of Investigation to discuss the FBI's accomplishments over the past year and what will be required to meet our future needs and goals.

In 1985, important accomplishments have been achieved in the FBI's four national priority programs: organized crime, white-collar crime, foreign counterintelligence, and terrorism. Mr. Chairman, time just does not permit me to discuss all of the FBI's investigative accomplishments over the past year. In the interest of time, I have submitted my full statement for the record and will now summarize those remarks.

For the fourth consecutive year, terrorist incidents in the United States declined. There were a total of seven incidents in 1985. This compares with 51 in 1982, 31 in 1983, and 13 in 1984. Regrettably, in 1985, 2 individuals were killed and 10 were injured as a result of terrorist acts. While numbers alone do not necessarily protray the true nature of the terrorist threat, the amount of violence actually prevented gives some measure of our accomplishments. In 1985, 23 planned acts were prevented through investigative activity. These include a plot to assassinate the Prime Minister of India and the Chief Minister of an Indian state; a plot to kill anti-Qaddafi Libyan dissidents; a plot to murder cooperating witnesses in the Aryan Nations case; and plans to bomb 14 buildings in the Northeast and Washington, DC, including the Old Executive Office Building adjacent to the White House.

In 1985, for the first time, the FBI was actively investigating terrorist incidents committed outside the United States. As a result of the Act Against Hostage Taking, enacted as a part of the Comprehensive Crime Control Act of 1984, the FBI assumed a leading role in the investigation of terrorist crimes directed at Americans overseas, including the hijacking of TWA flight 847 and the liner *Achille Lauro.* This year we have taken a number of terrorists out of circulation. And we have helped create a perception that conditions in the United States are decidedly inhospitable for others of like mind and purpose.

I do not wish my remarks today and the recitation of accomplishments in my statement to be considered overly selfcongratulatory or to leave the impression that we have terrorism on the run. The potential for significant terrorist violence at the hands of both foreign and domestic groups is quite real and the terrorist threat to Americans, both at home and abroad, will continue to be significant.

The motivating factors behind such violence would likely be beyond the ability of the FBI to influence, but those who contemplate a terrorist course should know that the FBI is working on measures to improve our capabilities in this area and that we will

commit the necessary resources to make conditions here even more inhospitable to such deeds.

Mr. Chairman, my remarks concerning our efforts in the area of foreign counterintelligence must by necessity be circumspect. Specific details were discussed when the subcommittee met in closed session on April 15. The increase in personnel and material resources in support of our foreign counterintelligence program coupled with our energetic support for additional restrictions on the freedom of action of hostile intelligence officers, in the United States, contributed to an exceptionally successful year. In terms of arrests and convictions during 1985, a total of 11 individuals were arrested on espionage charges; of these, 7 have been convicted of those charges and 4 cases are pending. In 1985, an additional nine individuals arrested prior to 1985 were convicted of espionage or related offenses.

A number of other significant achievements have been recorded in each of our other investigative programs. Some of those accomplishments have been reported in my full statement.

Mr. Chairman, I would like to use my remaining time to highlight the FBI's fiscal year 1987 needs.

For fiscal year 1987, we are requesting $1,278,410,000 in direct funding and 22,430 permanent positions. This represents a net increase of $85.4 million and 776 positions over the 1987 base level. This request includes 469 permanent positions for field general support employees, who are urgently needed by the FBI in order to accomplish essential support functions. An additional 44 positions will enable the FBI to continue the implementation of its long-range automation strategy. The remaining number of permanent positions requested will be utilized to support our priority investigative program.

We believe that these additional positions will increase our effectiveness in the criminal, counterterrorism, foreign counterintelligence and investigative support programs.

The FBI's increased allocation of resources to the national priority programs has significantly increased the workload of our general support employees. These complex investigations have a domino effect on the administrative support required for filing, indexing, transcribing, and typing tapes and additional evidence handling. Development of innovative and investigative techniques and computerization of priority investigative program data have made it necessary to develop specialists positions to review, analyze, and evaluate investigative data and maintain these investigative information systems.

These specialists positions have come at the expense of our field office general support. We lost an average of 665 general support to specialty positions between 1979 and 1981.

Mr. Chairman, this concludes my prepared remarks and I will now be happy to answer the questions of the subcommittee.

Senator DENTON. Thank you, Judge Webster. We are, as previously mentioned, interested in the evolving attitudes of our allies toward Libya; and you and Attorney General Meese, having just returned from meeting with them, on the subject of international terrorism, during those meetings, did it appear that the events of recent weeks are seeing changes in the attitudes of any of our

allies regarding the necessity of taking a more united and stronger stand against international terrorism?

Judge WEBSTER. Yes, Mr. Chairman.

I think that is clearly evident. I must say that the meetings that the Attorney General, Ambassador Oakley, I and others had at The Hague were primarily with the Ministers of Justice and Ministers of Interior who have the specific responsibility for protecting the internal security of their countries, as distinguished from the diplomatic group.

Perhaps because of that specific and important responsibility they have a more intense interest in developing a collective approach to the assessment and implementation of countermeasures with respect to the terrorist threat. As to Libya, I think that support for actions to deal with Libyan terrorism among the citizens of those countries is being reflected in changes in attitude at high levels.

Particularly, I think, perhaps the most important interest that the Attorney General pursued, and which I supported, was to develop a common assessment of the threat. During the period preceding and immediately following the American action in Libya, there was a divergence in the assessment among the various countries participating in the European Economic Community. They maintain bilateral exchanges of intelligence and information but really lack a common threat assessment which would result from a more open sharing of intelligence, particularly intelligence that has been developed through U.S. sources and contacts.

There was a considerable interest in improving the quality of that threat assessment to reach a common analysis which, in turn, would form a more supportive foundation for diplomatic initiatives.

I think that has been part of the problem in the past, the intelligence base upon which to act has been spotty and uneven over there. If we are permitted to participate and to share, even if on the outside, dealing with the group as a group, but not as a member of the group, we will all do ourselves a lot of good in dealing with the problem.

Senator DENTON. So, in summary, the Ministers of Justice and others, concerned with the security of their countries in terms of terrorism, were more or less of the same mind and gave you the impression that they would be pressing their superiors in government in the direction of more cooperation or more unity and that, specifically, more interchange of intelligence toward the formulation of a common threat assessment was a dominant theme?

Judge WEBSTER. Yes. Particularly the latter observation.

Senator DENTON. What can you tell us about specific actions that are being taken by European allies with respect to Libya, in light of the recent publicized terrorist attacks in Europe?

Judge WEBSTER. Well, most of those are matters of public knowledge at the present time. They have reduced the complement of the various Libyan People's Missions in their respective countries to comport with the size of the corresponding diplomatic complement in Libya from those countries, and additional consideration is being given by several of the countries to reducing the size of their own representation in Libya which would have the corresponding effect of reducing Libyan presence. A number of Libyan nationals have

been expelled from countries for various types of activities deemed inappropriate. This all ties to and supports, I think, the need for a common assessment of an emerging pattern of activity by the Libyan Government through Colonel Qadhafi, which goes beyond their traditional activities directed at controlling their own dissidents in other countries. Certainly that has been our experience in this country, most of the Libyan activity here has been directed at intimidating or controlling the activities of their nationals, particularly their student nationals in this country. Now the activities stimulated through the Libyan People's Missions go beyond that and are directed at other targets, including U.S. targets. The awareness in the European Community of this emerging pattern, which goes beyond just a local activity and dealing with their own people, is coming through in a more accurate picture and will result in a more concerted response to further Libyan activity.

Senator DENTON. Is that assessment of yours shared by at least those security-related people you conferred with in the EEC, among the EEC?

Judge WEBSTER. Generally so. I cannot say that they have come up with a 100-percent unanimous view of the situation. There are differences. There are historical, cultural, and political differences on how to deal with terrorism. But I think the old sanctuary concept is evaporating and that the initiatives that we have been discussing this morning will help to further dry up the concept that if a country leaves a visiting terrorist alone, the country will be secure from terrorism from that source.

Senator DENTON. Did you get the sense that these diplomatic moves and specific removals of persons found dangerous or already engaged in some kind of criminal activity were a reaction, a SOP to feelings in the United States or perhaps in the rest of the world or from among their own public? Or do you see it as perhaps the beginning of a more institutionalized approach to seeding out that which are the causes of future terrorism—represent potential for future terrorism?

Judge WEBSTER. I am not sure that I can answer that. Actually I think probably all of those factors have entered into it. The fact that the United States crossed the line from complaining, cajoling, and asking for help and took action, which it had all along said that it would take whenever it could specifically identify state-sponsored terrorist activity, has caused the respective nations to focus more sharply on the nature of the problem as it exists in their respective countries.

There were clear indications that the citizens of those countries were a little bit ahead of their own politicians in their sense of frustration and wanting something done about it.

Now, having moved in that direction, they need to operate from an informed, solid, shared intelligence base; and that, I think, is the next step forward.

Senator DENTON. Do we have, at our end, any impediments to motivation to share intelligence? Do you believe that the Freedom of Information Act, for example, still might have need of exemptive measures which would improve that motivation on the part of foreign governments?

Judge WEBSTER. Well, I have always believed that, Mr. Chairman, and we do the best that we can with the exemptions that we have. But I continue to believe that better protection of sources and methods is needed, not only internal sources and methods, but also intelligence obtained from foreign agencies needs to be clearly protectable. Most of the intelligence agencies abroad do not want it known in a public way or in a documented way that they are sharing information. It is a way of dealing. They obviously know that everyone knows that they are cooperating but they do not want the information appearing in the public press.

Senator DENTON. Were there any disclosures made in any of the meetings regarding the involvement of Libyan People's Bureaus in terrorist activities in Europe and the Middle East?

Judge WEBSTER. These things were discussed, but I cannot really point to any disclosures that would be appropriate for me to outline here. There is an awareness that the People's Missions have been used for terrorist or terrorist-related activities and that that is a part of the emerging pattern that is now becoming increasingly clear.

Senator DENTON. Was there any discussion of other nation states in addition to Libya involved in supporting, sponsoring, or facilitating terrorist activities in Europe and the Middle East?

Judge WEBSTER. Not in specific detail but in the sense that it is important at this juncture in history for these nations to work more closely together to get an accurate picture of just what is going on in terms of covert terrorist activity and state-sponsored activity in their countries and to do it in part, by sharing information, not exclusively in bilateral arrangements, but in multilateral arrangements.

Senator DENTON. Would your discussions have touched on some of the subjective statements that were reported with not accurate identification of sources at times, such as the feeling from within those countries that the United States, having shown some indignation and popular resentment against overflights, or other kinds of cooperation, that it caused a rejoinder from them in the effect that well, we have experienced a lot of terrorism, we have had to deal with it over the last decade or so to a much greater degree than you in the United States. And who are they to be telling us how to deal with it?

I found those reports somewhat irrelevant. The type of action that we took was matched, I think, in history. I think France did something, but I am not sure that it was in the nature of a response to a terrorist thing. It was more in response to something that was happening locally, I believe.

Could you comment on any of that in general?

Judge WEBSTER. Well, in a very general way, I do not think that I could represent that there was unanimity in approval for the specific actions taken. There is a tendency, I am sure, just as we do when other countries take action, to second-guess in terms of how we would have done it or we would have done it better.

But in discussions it seemed to range all the way from having done too much to not having done enough. That, in turn, only tended to reinforce a shared view, I think, that these conclusions, these differences are at least influenced by the lack of a common

threat assessment in terms of shaping what is the appropriate response.

But I found none of the—and of course, again, I have to underscore that we are dealing with people who have responsibility for the internal security of their country. They are much less inclined to discount the Libyan threat than others who think of it in purely political foreign policy terms.

They are certainly well aware, at the present time, that the situation with respect to Libyan activities in their countries is different than it was a few years ago.

Senator DENTON. Was there any talk of economic sanctions?

Judge WEBSTER. We really did not attempt to come up with discussions of that kind. I think that I have to make clear that we were dealing with the group of countries through their TROIKA, which is their means of contact with the third countries, as they call it—the past. the present, and the future president of the Trevi Group, and we met with the Ministers from each country separately from each other.

We were not attempting to propose specific solutions. They did inform us, in general terms, of various activities that were going on in their countries. Our whole effort, which was warmly and courteously received, was to improve the vehicles by which we work together in assessing the problem so that the policymakers could come to the best possible decisions on what to do about the problem.

Senator DENTON. Well, even after assessing the threat in common, in terms of the potential for terroristic activity on the part of a given country such as Libya, it would seem to me that the agreement on a specific type of reaction to a terrorist act would also depend upon concerns about personnel from the respective countries that are vulnerable within the country that might be looked upon for an attack; economic activity and economic dependence, even, I would assume that that might possibly have at least come up.

But I am interested in your overview of this because you and I are both subject to many questions.

Judge WEBSTER. Well, those are areas that are generally addressed by the policymakers who are apt to make the final choices, and they are factored in, but they are not what is primarily on the minds of the Ministers of Justice or the Ministers of Interior.

They are interested in reducing the threat—reducing the threat by reducing the presence, or reducing the threat by increasing security as such places at airport terminals, and other common steps in reducing the threat by improving the means of sharing criminal information—fingerprints, identification cards, and other matters of that kind—that will give them a common, unified defense to the threat itself.

In terms of economic and military retaliation, I think those are more logically in the hands of other people. They have to assess the consequence of such action just as we do in this country when our country takes military action abroad. We have to think about what that might mean in terms of potential retaliation here, and how to deal with potential retaliation.

Senator DENTON. Well, I ask those questions in full knowledge of that distinction that you just made, but as a naval officer who had to engage, who was privileged to engage in a number of NATO meetings around the world—although we knew it was our province to deal with military matters—I found, and reported that there was always a greater commonality, a greater comraderie, not in the sense of just a military mind, but a sense of reality about what we all had in common as nations, than existed at the political level within our respective States.

Did you find that kind of general thing?

Judge WEBSTER. Yes, indeed. And the Attorney General represented us most effectively in stressing this area.

Senator DENTON. Could you describe how well our allies now cooperate with us in counterterrorist activities, such as intelligence sharing and operational support?

And be a little specific, if you can, about how that cooperation might be improved? We have already mentioned one area. As soon as you mentioned that area, people with legitimate concerns about civil rights, and so on, immediately indulge in reactions. So I would like to document whatever you have to note on how we might improve our security by perhaps some changes in those fields?

Judge WEBSTER. In terms of international cooperation, and again, I have to limit my remarks in a public hearing—we are members of various systems for the dissemination of terrorist intelligence—to member nations who have common problems. That has been most helpful to us.

We have bilateral arrangements with most of the free nations of Western Europe and elsewhere. Our law enforcement counterparts work very closely with us through our legal attachés and other systems of personal liaison that exist on both sides of the Atlantic.

All of these areas I think generally have been fruitful, very forthcoming and very helpful in helping us to anticipate and head off, where possible, terrorist activities.

Threat information is quickly disseminated. Some of the threat information evaporates either because in the passage of time or on analysis——

Senator DENTON. Excuse me, either because of what? I did not get that.

Judge WEBSTER. I say some of the threat information evaporates, it turns out not to be well founded, but I would rather have the information than not have the information. And we proceed on the threat information very quickly.

I think, if you recall, and we were not involved in this, but there was intelligence relative to the La Belle Discotheque that the Army was trying to move on and I guess was about 15 minutes behind the curve, but it does show that the information is getting there and we are taking appropriate steps as fast as we can to deal with it.

Senator DENTON. Well, I do not know whether you want to comment on this, but I have the observation, perhaps incorrectly and maybe the sequence is not significant, but it is my understanding that we asked the Soviets to intervene with the Libyans not to go through with that attack. We were unsuccessful or they declined to help.

We had intelligence that an attack was going to take place in West Berlin but did not know precisely where or when, I gather until very, very late. Then after the attack took place and the United States said, well, we might hit Libya, my wife told me that she saw Qadhafi come on and say, well, if the United States hits Libya, the Soviet Union will hit back at the United States.

And she then said that she saw a prominent Russian—she did not know who it was—he came on and said, we have no military pact with that country.

The question arising in my mind is, why, first, they did not stop them; and second, they let us know that they were not going to do anything if we hit them? They could have remained silent. It is just a general observation on my part.

Judge WEBSTER. I do not think that I can respond. That calls for some speculation on my part. Certainly the United States took the appropriate steps to inform the Soviet Union of the actions that were being taken so that they would not be misunderstood or escalate into an international threat of the first magnitude.

Senator DENTON. I certainly agree with that, I was just curious why, if the Russians could stop it, they would not have, and why if they could have just remained silent giving us more concern about what they might do were we to hit Libya, why they did not do so?

It is just musing on my part.

Although there are not Libyan People's Bureaus as such in the United States, there are a number of Libyans legally present in the United States on student and other visas. Do you have any statistics on the number of Libyans present in the United States?

Judge WEBSTER. I do not have any accurate number of Libyan nationals, other than such as may be supplied by the Immigration Service. There are about 2,000 Libyan students in the United States and I think that we have a number relative to the general population, but I do not seem to have it here.

I do have some numbers with respect to Iranians in the United States, but we are conscious of about 2,000 students presently in the United States.

Senator DENTON. Of the Libyans living in this country, including students, have you noticed any involvement on their part in terrorist activity, as opposed to those who might be known terrorists who cross the border?

Judge WEBSTER. I do not want to be too specific about that in a public setting. Many of the Libyan students in the United States are financed by Qadhafi and therefore, for that and other reasons, might be incorporated in an infrastructure assigned to do specific terrorist activity.

But so far as incidents that have occurred in the past, we had two as you know, two Libyans who were associated, as I recall, with the People's Student Mission, who were trying to buy arms about a year ago.

So, while our intelligence indicates that they have not mounted a student terrorist operation, they have the potential to incorporate the students into their activity.

Senator DENTON. In the absence of a People's Bureau, per se, in this country, are there any particular Libyan Government organi-

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zations in this country which conduct Libyan Government business?

Judge WEBSTER. Not to conduct business.

Senator DENTON. You recently noted, Judge Webster, that Arab-Americans have "come into a zone of danger" and continue to face threats from extremist Jewish organizations. Has the FBI been able to identify key elements of these organizations? If so, who are they and are they being monitored by the FBI?

Judge WEBSTER. There were two specific incidents in 1985, one was on the east coast and one was on the west coast, which involved shootings and one bombing, and I guess they were both bombings, of individuals associated with the Arab-American Anti-Defamation League.

Those incidents are both under investigation. They were claimed by people claiming to be part of the Jewish Defense League, which has been identified in the past as being an extremely militant pro-violence group that has been soundly condemned by every reputable Jewish organization in the country.

I am not in a position to say that the Jewish Defense League was responsible for those incidents. They have disclaimed them officially. We have continued an extensive investigation designed to identify the individuals who were involved in this activity and bring them to justice.

To date, we are working on it. I cannot say much more than that. There have been no arrests at this point.

Senator DENTON. I want to note the arrival of my distinguished colleague and friend from Vermont, who has been a longstanding stalwart on this subcommittee as well as the vice-chairman of the Intelligence Committee, Senator Pat Leahy. I will defer to him now, because I have had plenty of time for questions.

OPENING STATEMENT OF HON. PATRICK J. LEAHY, A U.S. SENATOR FROM THE STATE OF VERMONT

Senator LEAHY. Thank you, Mr. Chairman.

I appreciate the chance to be here. Judge Webster, welcome. I apologize for being late. The Intelligence Committee was meeting on another matter which kept me there, but I knew that everything was in good hands with you, Jerry. As someone who has spent almost one-third of my adult life in law enforcement, I do like coming to these hearings, especially when Judge Webster is testifying. It is particularly good to be here and Judge, I might say, after 5 years on this subcommittee, there is no doubt in my mind that we owe the FBI's success in meeting some of the enormous challenges facing us today to your leadership and to the extremely good men and women that you have working with you. I am very pleased to see the efforts that the FBI has made in combatting domestic terrorism. The fact that it has become a major priority of the FBI should give some relief and satisfaction to Americans. That with everything that has happened in recent weeks, there is justifiable concern around the country. Certainly I hear it in my own State of Vermont, and I am sure, Mr. Chairman, you hear it in Alabama. Everywhere we go, people are concerned about whether terrorism will be visited upon the United States, on our shores.

I am wondering, Judge Webster, whether any of the 23 domestic terrorist incidents that the FBI foiled in 1985 involved either Iranian or Libyan nationals.

Judge WEBSTER. I want to be careful in giving you my answer to that question and I want to take just a moment to look at my notes.

Senator LEAHY. I can submit that question for the record if you would prefer. I do not need the answer now.

Judge WEBSTER. It might be better if I do. I have a couple in mind on the Libyan side. I think I will submit that for the record. In looking at it, I do not see, on the list that I have, I do not see anything that I would attribute to that.

Senator LEAHY. I understand that we have in the United States about 2,000 Libyan students. Does that number seem approximately right?

Judge WEBSTER. That is right, Senator Leahy.

Senator LEAHY. How many of these Libyan students are financed by the Qadhafi government?

Judge WEBSTER. About 40 percent of them, I believe, are financed by the Qadhafi government. I have the exact figures and I can confirm that in the record.

Senator LEAHY. One of the questions I hear over and over again, back in Vermont, on the question of whether there are going to be terrorist attacks here in the United States, is whether the targets will be our nuclear power plants. Are our nuclear power facilities in the United States adequately protected against terrorist attacks today?

Judge WEBSTER. I do not know that I am really qualified to answer that question. That is an issue of security. We have worked closely with the Department of Energy and the Nuclear Regulatory Commission in their efforts to provide maximum security and we are in constant touch with both the main Department and the Commission with respect to any indications of breaches of security or potential vulnerabilities. I think that the Nuclear Regulatory Commission is probably the place to address that question.

Senator LEAHY. Senator Denton and I worked out a bill that provides for criminal record checks for individuals who have unescorted access to nuclear facilities. Would you consider that to be helpful?

Judge WEBSTER. I believe so, Senator. There are no, I can conceive of no objections to it at this time, and every bit of information that is available to the people responsible for the security of something as sensitive and as potentially destructive as a nuclear site is bound to reduce the actual threat.

Senator LEAHY. There is another piece of legislation that I have more than a passing interest in—the Leahy-Cohen bill. Last year, President Reagan signed it into law mandating the eventual establishment of substantial equivalence between the number of Soviet-American diplomatic and consular personnel permitted in each other's country. I said at the time that I was concerned that we may have one of those good news/bad news situations. The good news being somebody coming into your office and saying, Mr. Director, we are able to identify every single member of the Soviet diplomatic mission here who has diplomatic cover but is working

for the KGB. The bad news is that we can only follow *x* percent of them.

We wanted to fix that. Do you agree that the Leahy-Cohen bill, as it applies to the diplomatic mission apart from the U.N., is a first step toward getting a handle on the number of Soviets who may well be intelligence officers here under diplomatic cover?

Judge WEBSTER. Yes, I do.

Senator LEAHY. Do you have the same opinion about what is called the son of Leahy-Cohen, S. 1773, which establishes a mandatory requirement that United States and Soviet U.N. missions in New York be substantially equivalent in size?

Do you feel that passage of that legislation would be helpful to you?

Judge WEBSTER. Yes, I do.

Senator LEAHY. I have a number of technical questions, Mr. Chairman, that I am going to submit for the record.

I would, however, state again, that we have seen an increase in efforts in counterintelligence and I think that the overriding view of both Republicans and Democrats on this committee, and throughout the Senate, is that this has got to remain a priority.

I am concerned that if we do not give the FBI and the intelligence agencies the tools to be able to stop terrorist activities, we are going to end up with a seige mentality in this country. If that happens, we will have allowed a handful of people to do more damage to our democratic institutions than the armies arrayed against us in World War I and World War II were ever able to do.

We have talked about the kinds of security measures that will be used in the Capitol. This concerns me. I remember coming here my first time as a high school student, being able to walk through here, and thinking how great it is to be able, in this country, to just walk in and watch congressional hearings like this or anything else.

And I would hate to think that the threat of terrorism is so pervasive in this country that we develop a bunker mentality and lock the doors on everything, and that we close up our Government.

One of the things that will keep us from getting into that bunker mentality is if you and your agency, and the intelligence agencies that work with you, can detect where these terrorists might operate from and stop them before they strike.

That, in my mind, is far more protective of what we really stand for in this country than erecting steel and concrete barriers and I wish you the very best in that endeavor.

Judge WEBSTER. Thank you, Senator Leahy. I share your views on that. We are going to have to have some prudent protection such as was afforded the White House when we had the experience of what can be done with automobiles being hurled against institutions with a truckload of TNT or equivalent. But to barricade ourselves, as the answer to terrorism, is to let the terrorists win on the cheap.

I believe that the great statement of Franklin Roosevelt many years ago really has application here, that the only thing that we have to fear is fear itself. And fear usually comes from ignorance of what is out there. We need the resources to have the proper kind of intelligence and law enforcement response to those who are in

this country planning acts of violence or planning acts of treachery and hostile intelligence. By having an appropriate kind of spider web strategy focused on them so that we have a better and more accurate understanding of what they are doing, we will be able to prevent these things from happening. If we do not know what is out there, the fear is going to be magnified. The fear of terrorism is really disproportionate in terms of actual loss of life and destruction of property to the numbers of accidents that people have on the highway caused by alcohol and other kinds of criminal offenses. But it is the threat to the institution of democracy itself, that I think causes our citizens to be concerned, the rights that we have enjoyed as citizens, to be free to travel in safety from pernicious attacks of this kind. So we need to have the ability to understand the threat, to be able to identify where the threat is coming from, and to form strategies not only to respond to criminal activity but to prevent it from occurring.

I did check, incidentally, while we were discussing these issues—and I will respond to the record—my notes do not indicate any Iranian activity prevented, but I observed three specific Libyan activities that we believe were prevented because we had the intelligence to act on them.

Senator LEAHY. Thank you, Judge.

Mr. Chairman, I would commend the judge's statement. I was in Florida recently, and somebody asked me if it is safe to travel abroad. I told them that if they wanted to go purely by statistics, they were running about a 3,500-percent greater risk driving from where we were back to their home and being killed by a drunk driver. When Judge Webster says that if we allow fear to prevail, the terrorists will win on the cheap, he is absolutely right. I think that this committee has shown a commitment to make it impossible for them to win on the cheap.

Thank you, Mr. Chairman, and I appreciate your having this hearing.

My other questions and my statement will be submitted for the record.

[The prepared statement of Senator Leahy follows:]

PREPARED STATEMENT OF SENATOR PATRICK LEAHY

Mr. Chairman. I also want to welcome Judge Webster here this morning. As a former prosecutor, I have a particularly strong interest in good law enforcement, and I look forward to another year of serving on this subcommittee.

A lot has changed since I was a prosecutor, both in terms of the magnitude and cost of law enforcement today, and in the effectiveness of the FBI and other agencies in combatting crime.

After 5 years on this subcommittee, there is no doubt in my mind that we owe the FBI's success in meeting these enormous challenges to the dynamic and enlightened leadership of Judge Webster. It is beyond dispute that at a time when terrorism, drug trafficking, and violent crime, not to mention the rising costs of law enforcement, are on the minds of all Americans, the choice of Judge Webster for this crucially important job was extremely fortunate for all of us.

Mr. Chairman, regrettably I will have to leave this hearing shortly to spend most of the morning in the Agriculture Committee. I do have a series of questions for Judge Webster which I would ask to submit for the record.

My questions cover a variety of issues of special concern to me. I am particularly interested in the progress the Bureau has made in its fight against organized crime. Last year we were all encouraged by the FBI's role in the investigations and indictments of the leaders of all the organized crime families in New York City. My ques-

tions address this continuing problem, both in the context of organized crime's role in drug trafficking and the growing threat of Asian organized crime.

Japanese, Chinese, and Vietnamese crime gangs are gaining strength in many of our larger cities. They are involved in drug trafficking, extortion, prostitution, and murder-for-hire. I want to know how fast these groups are growing, what special problems they present for law enforcement, and how well we are cooperating with Asian law enforcement to fight this new threat.

Like all Americans, I was also pleased to learn about the domestic terrorist plots that the Bureau foiled last year. Some of my questions address this continuing threat, particularly the potential threat posed by Libya and the thousands of Iranian students who are in the United States on temporary visas.

I have questions on a number of other topics, including Judge Webster's views on Senator Cohen's and my legislation to limit the number of Soviet diplomats in the United States, and the FBI's ability to monitor the whereabouts and activities of all these people.

I also have a few questions on the Bureau's progress in providing voice privacy to all its field agents, and its new proposal to add $12 million to develop artificial intelligence software. I believe this latter program is an exciting new development in law enforcement which, if planned and implemented properly, can have tremendous payoffs in the future.

In conclusion, Mr. Chairman, let me say that with respect to all of my questions, there is the issue which we can no longer treat as lightly as we once did—the rising costs of our fight against crime.

I can think of no more important function that we have than to support good law enforcement. I have great faith in Judge Webster to make the most of the resources we give him. As the profits from crime, particularly drug trafficking, continue to soar, and the individuals who commit these crimes become more sophisticated, we must be able to assure the American people that their money is being well spent and that we can meet these challenges.

Senator DENTON. Thank you, Senator Leahy.

I would add my own remarks to that subject. Fear of terrorism resulting in a passive defense which amounted to structures, censorship, which might be found totally unnecessary, to me, would be like a Maginot Line approach, in which a nation like France erecting the line, did not have the intelligence facilities at hand, to let them know that they were not going to come that way. They were going to come the way they did during World War I, through Belgium, around the line.

Hence the tremendous value of emphasizing the enemy's capabilities, intentions, ongoing activities, so that with economy of effort, and economy of sacrifice in terms of exemptions from normal civil rights as well as with effectiveness in terms of security, we can better confront and stave off terrorism. I totally agree with that concept.

Judge Webster, I have a question concerning Chin Wu-Tai, better known as Larry Chin, whom your agents apprehended last November and was charged by the U.S. Attorney for the Eastern District of Virginia with passing intelligence information to the People's Republic of China.

As you know, Larry Chin worked for the Chinese Communists for more than 30 years. And through his efforts Chinese Communist officials had access to the data and reports on which top U.S. policymakers based their China policy decisions.

And, perhaps, more fundamentally their assessments of China's condition, and apparent intentions and so on. Now, that Larry Chin is dead, presumably by his own hand, can you offer an opinion on the significance of his efforts for the PRC?

Judge WEBSTER. I think that anything that I might say here would be speculative, Mr. Chairman, but clearly from what he ac-

knowledged himself, and what other corroborative evidence would have established, he put the People's Republic of China in the position of peeking at our cards. They had an inside sense of who our operatives were and what our goals and strategies would be in given situations. I cannot put a price on that in terms of cost to the United States.

Senator DENTON. Without meaning to interrupt, please let me interject that in addition to permitting us, or permitting him to see our cards, he had an opportunity to show us some false cards.

Judge WEBSTER. True.

Senator DENTON. Please go ahead.

Judge WEBSTER. Well, what you say is certainly true. I cannot speculate on the extent to which that occurred. I tend to minimize this because none of his contacts with the PRC were under official direction as I understand it.

Senator DENTON. Well, I am in hopes that the people of Russia, the people from Mainland China—and I do not think that it is a false hope—will sometime in the future, caused to be evolved within their systems, governments which are more responsive to civilization. I do not know that that process is not going on at some rate. I pray that it is and that it accelerates, but I believe that we have to be realistic about what is going on at present time, and that we know about.

Recently, the Chinese Communist Government condemned the Government of the United States for terrorism, when we retaliated against Libya. The Larry Chin case seems to me could be important, in that in addition to looking at our cards, the significance of which it is difficult to assess fully, he, by dealing with our agents, on site, could have been revealing to them information which he wanted them to get which was not truly indicative of the true state of affairs within Red China, to the degree that he addressed those conditions.

In other words, it might have been possible and it might have happened that he used those agents as disinformation channels. Do you have any information that you could reveal at this hearing, on this point?

Judge WEBSTER. None that I could reveal at this hearing, Mr. Chairman. But I think that we all regard his activities as potentially of great damage, over the long pull.

Senator DENTON. Turning to the State, county, local police force situation, which you and I had to turn to very comprehensively when we dealt with the Olympics.

What mechanisms exist to bring the FBI into a potential terrorist investigation when the original information or subject is developed by State, county, or local police force?

Judge WEBSTER. The speed with which the FBI is brought in to those situations depends, in large measure, upon the success and effectiveness of our liaison and interrelationships which have been developed and fine tuned in most major cities and in other parts of the country over a sustained period of years.

It depends a lot on our training together and some of the things that we share together, and some of the things that we do for each other. In most cases, I think that we can count on almost immediate notification of the FBI. My mind goes back, in addition to the

Olympics, which was a carefully negotiated and prearranged system for dealing with such emergencies, I think back to the situation in Evanston, IL, a few years ago when the police were called in because of the joggers outside a van who were smoking and a citizen thought that was unusual and when they got there, they realized that they had something that was unusual. It was the FALN leadership planning an act of terrorism, and by calling us in immediately within just a matter of 2 or 3 hours, we had located two safe houses, one in Wisconsin and one in Union City, NJ.

That type of cooperation is essential for us to do our job. As you know, we only have 9,000 special agents to do all the work of the FBI, and terrorism can take place in any part of the country at any time that the terrorist selects. With bombs set with deferred timing, they could even pick their time so they are not going to be around, when the incident occurs.

So, it is important that every bit of information, related to terrorist activity, come to us and come to us very quickly. In cities, like New York, where the New York Police Department is so intimately involved with controlling a number of terrorist groups who are there for various reasons, including the United Nations, we work in a joint task force with the New York City Police Department. There are over 60, I believe, of New York's finest housed in FBI facilities, working with our counterterrorist teams and doing a very effective job in New York City.

There are some other cities where similar joint task forces are formalized, and others where we have informal arrangements to band together quickly when anything occurs.

Senator DENTON. Under current arrangements, it is my understanding the New York Police Department furnishes detectives to the Joint Anti-Terrorist Task Force and absorbs the salary expense for these positions for an 8-hour shift.

However, the New York Police Department looks to the FBI to pay overtime costs that it may accrue during joint operations.

Their budget is under severe strain and union rules prohibit officers from working more than one shift without overtime pay. My understanding is that the FBI bears this expense at the present time. When the FBI and city police are working on a joint operation it makes no sense for the local police to leave when their shift ends. After all it makes little sense to have FBI and city police working a joint operations and when 5 p.m. comes, the city police pull out and are unvailable because the city police union will not permit them to work overtime without compensation.

Will the Bureau be able to continue to underwrite the cost of police overtime in these situations?

Judge WEBSTER. Not under the budget under consideration. We have in the past. OMB made a policy determination to limit the amount of services and funds and paid expenses provided by Federal agencies and that, of course, as you pointed out earlier in your statement, affects our training and it also affects our ability to supply that additional overtime in order to keep the police working. So in the current budget, we will not be able to continue that practice.

Senator DENTON. In the New York City Police Department, according to my information, they have committed 138 detectives to

the joint task force and the FBI has had to reallocate resources to the terrorist program.

Was the FBI required to reallocate resources during 1985?

Judge WEBSTER. If I understand your question, Mr. Chairman, we did overburn substantially in our overall terrorist program. I cannot tie it particularly to New York City, but because of the number of activities that were taking place, we did spend significantly more than we had budgeted in the terrorism field, so that we did have to reallocate expenses.

Senator DENTON. Well, it sounded all right to me yesterday, when the Attorney General, in the interest of attacking the Federal deficit, said:

> We have identified certain services, such as training of state and local law enforcement personnel, where costs can be more equitably shared. Finally, we must confront the circumstances that some of the grant programs have outlived their mandates. We must distinguish between programs that should be conducted at the national level and those that should be funded at the state or local level.

And somewhere in here, specifically, he stated that the FBI was no longer going to bear the burden of travel, housing expenses, and subsistence for those who came to train under the auspices of the FBI.

Here it is:

> The Department is proposing to charge State and local trainees for costs incurred for travel, meals, and lodging.
>
> The cost of instruction and other training expenses will continue to be borne by the FBI, DEA, etc.

What effect do you anticipate from that? Have you given it enough thought to anticipate what they might mean? Would it mean the end of task forces, this and other actions like that? Or the diminution of them? Would it materially affect our ability to deal with terrorism successfully?

Judge WEBSTER. We do not at the present time know what the impact will be on reciprocal services that are provided to us by State and local authorities. I certainly hope that it will not have that effect, because it will begin to break down the tremendous Federal system that we have worked so hard to develop.

It will mean, based on surveys that have already been taken, that a very significant number of police agencies in the country, somewhere between two-thirds and three-fourths of them have indicated that they would not be able to continue to send command level officers to the academy if they are required to bear the expense of travel and maintenance.

We will continue to supply services to those who meet the policy established by OMB, but there will be many in the country who cannot afford it and who perhaps need it the most, who will not be there.

I am sorry to see that happen, because the whole purpose of the national academy is to build a level of competence at the State and local level which means that they could take on more and more responsibility that otherwise would fall on the FBI or some Federal police force which we do not want to create.

Senator DENTON. Well, I think that we should stay in very close liaison on that point. As I interpret the mandate to this subcommittee, it is to oversee to the degree that we have oversight, agen-

cies, and activities which are conducive to the promotion of our security and conducive to countering terrorism. Some States do not have funds or appropriations as part of their budgets right now to afford those expenses. On the other hand, some States might, indeed, have a tremendous surplus and be able to adequately meet those expenses. We have a $2 trillion Federal deficit and some States are operating with a surplus.

On the other hand, there are States in deficit also which cannot afford it. So, it is not an easy question to figure out but I will be trying to stump for, with some enthusiasm, no reduction in the level of the unity of effort which exists among the local, State, and Federal agencies.

And I am sure that you would, by your mandate, want to ensure that also. So, I hope that we can quickly resolve our estimate of what the impact of this will be.

Judge WEBSTER. I hope so, too, Mr. Chairman. And I appreciate what you have said.

Senator DENTON. May I ask that as soon as you can make an estimate that you let us have your opinions and, within a month, give us some kind of a statement, either negative or with your estimate at that point?

Judge WEBSTER. I would be happy to do that and we are prepared to do that promptly.

Senator DENTON. Judge Webster, I have received several letters from police chiefs, sheriffs' departments, the International Association of Chiefs of Police and the Alabama Chapter of the National Academy of Associates, supporting continued FBI training of their officers and members.

Copies of these letters will be provided to you and, without objection, I will place them in the record of this hearing at this point.

[Letters referred to above follow:]

NATIONAL ACADEMY ASSOCIATES

ALABAMA CHAPTER

ORGANIZED 1947

February 25, 1986

The Honorable Jeremiah Denton
United States Senate
516 Hart - Senate Office Building
Washington, D. C. 20510

Dear Senator Denton:

Based on the information I have, the proposed budget will eliminate funding for local law enforcement officials to attend the Federal Bureau of Investigation National Academy (FBINA), Quantico, Virginia. I believe you will find this information on page 91 of the appropriation document.

I also understand that the appropriation committee will begin hearings on this matter within the next few days. In my opinion, if this does occur, it will cause a drastic cut-back in the efficiency of law enforcement nationally, as well as internationally. There is absolutely no replacement for the benefits received by law enforcement in the operation of the FBINA, as it relates to law enforcement.

I personally attended the FBINA in 1967. I ultimately served as Chief of Police of the Birmingham, Alabama Police Department. Therefore, I can personally attest to the high quality and many benefits that can be attributed to the FBINA.

I am asking that you look into this matter with a very open mind and with the understanding that should these funds be eliminated, law enforcement in this country will never be the same. I will also remind you that while our defense of the country is vitally important, the protection of the people is no less important, and this protection is provided by law enforcement. I am simply equating internal protection with our national defense and urge you to do everything necessary to retain funding for the FBINA.

Sincerely,

Bill R. Myers

Bill R. Myers, President
Alabama Chapter FBINA

THE CITY OF LINCOLN
DEPARTMENT OF
POLICE

POLICE EMERGENCY 911
NON-EMERGENCY (402) 471-7245

233 SOUTH 10th STREET
LINCOLN, NEBRASKA 68508-2293

February 26, 1986

The Honorable Edward Zorinsky
431 Russell Senate Office Building
The United States Senate
Washington, D.C. 20510

The Honorable Edward Zorinsky,

On the 22nd of February, 1986, I was informed that the Office of Management and Budget deleted from the Federal Bureau of Investigation's budget a total of 4 million dollars which was to be used by the FBI National Academy in Quantico, Virginia.

As a result of this cut in the budget, any State or local law enforcement agency wanting to have an officer attend the FBI National Academy must pay the entire cost for room and board in addition to travel costs. The dollar amount would be in the approximate area of $2200 per officer plus whatever those transportation costs would be. In Nebraska, with the smaller size of departments, and the reductions in our own budgets, I would suggest that we would be unable to have an officer attend the National Academy whenever a slot would become available.

For over fifty years the National Academy has been an excellent training facility for upper management level officers for all over the nation and for that matter all over the world. I, myself, waited a total of eight years from the time of application to the time I attended in 1983.

The training that I received over the eleven weeks I attended the National Academy was excellent. The cooperation that was developed between Federal, State and local law enforcement agencies as a result of this type of training is immeasurable. I would hate to think of the impact that this type of reduction in training would have on law enforcement in Nebraska.

I am also of the opinion that when enrollment declines at the National Academy that the FBI academy will not have to close, but reduce the faculty size. By reducing the total number of instructors at the academy, we, in Nebraska, will no longer have a resource to draw from for any in-service training provided within the State.

If at all possible, I would respectfully request that you please contact Congressman Neal Smith, wo is chairing the committee which will review the FBI's budget, and inform him of our concerns in Nebraska. Page 91 in the budget is the reduction in the National Academies costs and if the question of "what effect this reduction would have on local law enforcement" was directed to Director Webster, I'm certain he would be able to explain it's importance better than I.

I want to thank you for your valuable time and consideration in this matter and if you would happen to have any questions, please call me at (402) 471-7752.

Yours truly,

Douglas A. Ahlberg

DOUGLAS A. AHLBERG, Captain
Lincoln Police Department
President, Nebraska Chapter
FBI National Academy Associates

International Association of Chiefs of Police, Inc.
Thirteen Firstfield Road
P.O. Box 6010
Gaithersburg, Maryland 20878
Phone (301) 948-0922
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Farmingdale, NY

Jerald R. Vaughn
Executive Director

March 7, 1986

FY '87 Budget Threatens FBI Academy Training

The Honorable Jeremiah Denton
United States Senate
516 Hart Senate Office Building
Washington, DC 20510

Dear Senator Denton:

The International Association of Chiefs of Police represent over 14,000 police executives who collectively supervise over 480,000 police officers in the United States.

The quality of police leadership in this country is highly dependent upon the kind of training our police executives receive. For over 50 years state and local police administrators have been afforded the opportunity to attend the FBI Academy for an 11-week Police Executive Development Program. This has only been made possible in the vast majority of cases because the FBI has paid the cost of transportation, lodging, and per diem while the participants are in the program. Recent announcements from the Justice Department indicate that their budget will be decreased by nearly 6.5 million dollars by charging state and local trainees at the FBI Academy a user fee for participation in the training program at the FBI Academy. We believe very strongly that this is ill advised and will ultimately have a major impact of a negative nature on the FBI Academy. Many cities in this country simply cannot afford the cost associated with providing this quality training to their police executives and consequently will not send participants. This will have a long-term adverse impact on the quality of law enforcement in the United States.

Perhaps more importantly though is that state and local departments continually provide assistance to the FBI and other federal law enforcement agencies in the field. The state and local agencies never bill these federal law enforcement agencies for the assistance provided. Many times countless manhours are devoted to assisting complex investigations, housing prisoners and many other activities that are critical to the success of the FBI, DEA, and other agencies. If in fact state and local governments are faced with being billed for assistance in the form of training provided by the FBI, then conceivably a reaction could be to charge the FBI for the assistance that the state and local governments provide. The cost would quickly escalate beyond the 6.5 million that the Justice Department is attempting to save in the budget decrease.

I would therefore ask you to carefully consider the implications of such an action as implementing user fees for the FBI Academy. I would strongly urge you to reject these user fees in the interest of high quality law enforcement and consequently a higher level of safety and security to the millions of United States citizens who our state and local law enforcement officers are sworn to protect.

Please do not hesitate to contact me if I can provide any additional information to you. Thank you for your consideration in this matter.

Sincerely,

Jerald R. Vaughn
Executive Director

The State of New Hampshire

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Water Supply and Pollution Control Commission

6 Hazen Drive – P.O. Box 95

Concord, N.H. 03301-6528

STAFF
WILLIAM A. HEALY, P.E.
Executive Director

DANIEL COLLINS, P.E.
Deputy Executive Director and
Chief Engineer

Ron – I hope this is OK!

March 7, 1986

The Honorable Jeremiah Denton
Subcommittee on Security and Terrorism
United States Senate
Russell Senate Building - Room 198
Washington, DC 20510

Dear Senator Denton:

As a former Deputy Director of the State of New Hampshire Governor's Commission on Crime and Delinquency, I am writing to voice my support for the continuation of the excellent training program provided by the Federal Bureau of Investigation National Academy to state, county and local law enforcement. Based on my experience with the criminal justice system, particularly with law enforcement, the training provided by the Academy has made a significant contribution to the professionalism and effectiveness of New Hampshire's fine police force.

If the budget to continue this program is cut or eliminated, the education provided by the Academy to our law enforcement community will suffer a serious setback. This potentially damaging situation is further exacerbated by the fact that many of the departments affected would be unable to pay the costs presently provided by the federal program. Therefore, a budget cut in this area would manifest itself as a decrease in the effectiveness of New Hampshire police forces and a concomitant several-fold increase in crime related costs to New Hampshire residents.

Sincerely,

Michael P. Nolin

Michael P. Nolin, Director
Public Participation

MPN/vv

JAMES D. PHILLIPS
CHIEF OF POLICE

ROBERT J. BURNS
MAYOR

1986 MAR 25 AM 8:28

DEPARTMENT OF POLICE

TARRANT, ALABAMA 35217

Telephone 841-5555

March 18, 1986

Senator Jeremiah Denton
516 Hart Building
Washington, D.C. 20510

Dear Senator Denton:

Based on the information I have, the proposed budget will eliminate funding for local law enforcement officials to attend the Federal Bureau of Investigation National Academy (FBINA), Quantico, Virginia. I believe you will find this information on page 91 of the appropriation document.

I also understand that the appropriation committee will begin hearings on this matter within the next few days. In my opinion, if this does occur, it will cause a drastic cut-back in the efficiency of law enforcement nationally, as well as internationally. There is absolutely no replacement for the benefits recieved by law enforcement in the operation of the FBINA, as it relates to law enforcement.

I personally attended the FBINA in 1970. I am currently serving as Chief of the Tarrant, Alabama Police Department and have been doing so since 1976. Therefore, I can personally attest to the high quality and many benefits that can be attributed to the FBINA.

I am asking that you look into this matter with a very open mind and with the understanding that should these funds be eliminated, law enforcement in this country will never be the same. I will also remind you that while our defense of the country is vitally important, the protection of the people is no less important, and this protection is provided by law enforcement. I am simply equating internal protection with our national defense and urge you to do everything necessary to retain funding for the FBINA.

Sincerely,

James D. Phillips
Chief of Police, Tarrant, AL
Alabama Chapter FBINA-95th Sessions

City of Harrisonburg, Virginia
POLICE DEPARTMENT
181 South Liberty Street
Harrisonburg, Virginia 22801
Phone 703-434-2545

RICHARD W. PRESGRAVE
Chief of Police

March 31, 1986

The Honorable Jeremiah Denton
United States Senate
516 Hart Senate Office Building
Washington, DC 20510

Dear Senator Denton:

I am the Chief of Police for a small thirty-five member police department in the Shenandoah Valley of Virginia. I have been in law enforcement for almost twenty-six years.

I have observed many changes in law enforcement during this period. However, the most beneficial of all the changes that I have seen, is the increased cooperation between federal officers and the professionalization of local police.

I attribute this to the association and education that members of law enforcement have obtained through attending the F.B.I. Academy.

I was fortunate because I was given the opportunity to attend the 92nd Session of the F.B.I. Academy in 1973. However, this would not have been possible if the City of Harrisonburg would have had to pay to send me. I have also sent two other members of my department to the Academy. Again, if I had to provide the money, I would have been unable to expose them to this excellent training.

I have heard that the Justice Department has indicated a 6.5 million dollar decrease in the Academy's budget and that in effort to recoup this decrease, a user's fee would be charged localities for participation in training programs at the Academy.

It, in my opinion, would be a sad day for the law enforcement community if we start charging each other for the services we render to one another on a daily basis. To force the Academy into this position would be a mistake.

Thank you, Senator Denton, for taking the time to read my comments. I hope you agree and will do everything in your power to prevent a mistake.

Respectfully,

Richard W. Presgrave
Chief of Police

Newport Police Department

32 MAIN STREET
NEWPORT, NEW HAMPSHIRE 03773
TELEPHONE (603) 863-3232

ARTHUR G. BASTIAN
Chief of Police

March 31, 1986

99th

The Honorable Jerimah Denton
Chairman
Subcommittee on Security and Terrorism
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Sir:

I write this letter after learning the Graham-Rudman Bill will be affecting Criminal Justice Training Centers that are so vital to the police profession.

As a former graduate and active member of the F.B.I. National Academy, Quantico, Virginia, I ask the Sub-Committee to take a long hard look at any National cuts that will affect the F.B.I. National Academy.

The Newport Police Department has had, over the years, three of it's Officers attend. They could not have attended this prestigious school had not the Federal Government assisted with funding.

This schooling assisted the officers with their growth in the Law Enforcement community, but far more important is the fact that all citizens of our communities are able to receive a higher level of police professionalism. The quality of a police agency depends on the quality of police personnel, therefore, it is imperative that a police agency, no matter it's size, should have the opportunity to attend schools such as the F.B.I. National Academy.

Another important factor with this institution is the association of the F.B.I. National Academy graduates and the Federal Bureau of Investigation itself. Law Enforcement graduates and F.B.I. Special Agents call upon one another in the investigation and apprehension of the criminal element. Without this association, Law Enforcement will be taking a step backwards. This will also affect International Law Enforcement Agencies as well.

Again, let me ask for your support in no cuts for the F.B.I. National Academy.

Thanking you in advance for your time.

Sincerely,

Arthur G. Bastian

Arthur G. Bastian
Chief of Police

ACB/dmm

WOODBURY HEIGHTS POLICE DEPARTMENT

POST OFFICE BOX 44
WOODBURY HEIGHTS, NEW JERSEY 08097

THOMAS P. REILLY
Chief of Police

Telephone: Business 609/848-6707
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April 4, 1986

Honorable James J. Florio
U.S. Congressman
1 Colby Avenue
Stratford, N.J. 08084

Dear Congressman Florio:

In September 1983 I completed an application to attend the F.B.I. National Academy. During 1984, your Office graciously attempted to expedite the application.

I recently received a telephone call indicating that I will most likely be scheduled to attend the Academy in 1987. While fees were formerly absorbed by the F.B.I. Academy for the attendance of state and municipal police executives, I have been informed that a $2,255.00 tuition fee may be required in 1987.

Needless to say, the small Borough of Woodbury Heights will be unable to pay such a fee.

I understand U.S. Senator Jeremiah Denton will hold hearings on this issue on April 30, 1986 and would appreciate your usual, tireless efforts in order to prevent the imposition of fees for attendance at the F.B.I. Academy.

Enclosed is a copy of a letter sent to Senator Denton by the Executive Director of the International Association of Chiefs of Police. I can only echo his sentiments on the negative impact these fees will have on local law enforcement training and professionalism.

Your support in this matter will be greatly appreciated.

Sincerely,

Thomas P. Reilly
Chief of Police

City of Melbourne Police Department

650 NORTH APOLLO BOULEVARD
MELBOURNE, FLORIDA 32935
(305) 259-1211 SUNCOM: 852-1111

April 10, 1986

The Honorable Jeremiah Denton
United States Senate
516 Hart Senate Office Building
Washington, DC 20510

L/86 - 150

Dear Senator:

This letter is written to request your support for continuation of Justice Department funding to allow state and local police administrators to attend the FBI National Academy Executive Development Program.

This program, in existence for over fifty years, has provided police executives from throughout our country a high level of executive training, which has been instrumental in improving the level of police service. It is my understanding that the Justice Department is now considering charging state and local law enforcement agencies a user fee for participation in the National Academy. This development will result in economic impact of a negative nature in many law enforcement agencies, and will in all probability result in a significantly lower level of use of the academy.

A network of support has been developed as a result of the National Academy, which enhances the ability of law enforcement to establishment and maintain relationships ranging from the local to the federal level. It is significant that state and local law enforcement agencies have provided service to the FBI as well as other federal law enforcement agencies without charge. I would like to see this relationship continue, and the National Academy has played a strong role in allowing it to flourish. To charge user fees could conceivably result in reducing the level of executives who graduate from the National Academy which in effect would cause harm to federal and local law enforcements cooperative effort, as well as, in some instances, causing local and state government to consider charging for service that is currently being provided free of charge.

I ask you to consider the implications of implementing user fees for the FBI Academy, and strongly urge you to work toward ending the possibility of user fees to attend the FBI National Academy.

Sincerely,

Keith Chandler

Keith I. Chandler
Chief of Police

KIC:mb

cc: Sam Halter, City Manager
File

Senator DENTON. Turning to military terrorist training of U.S. citizens and permanent resident aliens, this subcommittee has received authoritative reports that for nearly 10 years U.S. citizens and permanent resident aliens, of Middle East backgrounds, have been receiving military and presumably terrorist training abroad.

In fact, prior to Israel's invasion of Lebanon, in "Operation Peace for Galilee," Lebanon, itself, was the site for such training.

More recently this activity is reportedly being conducted by Iran and Libya in third countries. Would you comment on the level of this activity as you now see it and what we can expect in the United States by way of possible retaliation for our raid on Libya?

Do you have anything that you can say in an open hearing on that?

Judge WEBSTER. Well, if you do not mind, Mr. Chairman, I would prefer not to go into any detail about the first half of your question. There has been some movement abroad for terrorist training in the past by U.S. citizens. I would rather not quantify it in a public session. As far as prospects for retaliation as a result of the Libyan incident, I happen not to belong to the school of thought that Middle East terrorism is inevitably coming to the United States. I believe that we can and are doing many of the things that will minimize that risk.

The risk is substantial, however, if we take seriously, as I think that we have to, the rhetoric of the Middle East, particularly Colonel Qadhafi, who, in effect, has put his own reputation on the line that there will be retaliation, that his brand of terrorism will come to American shores. We have to take appropriate steps to prepare to deal with that probability or possibility.

We have done much of what I am talking about and we have prevented some of the things that were planned. We have not had any extensive experience with Libyan terrorism in the United States, but we certainly have considerable experience with Middle East terrorism against U.S. persons, citizens, institutions, and property in other parts of the world.

It is easier out there. The law enforcement community is not as well organized, the intelligence base is much inferior to ours, and the opportunity for terrorists to move safely through countries where these acts occur is much better than in the United States.

So I would expect that except for some statement of potential act that Qadhafi might feel obliged to make, that he would prefer to direct his resources where he has a greater chance of success.

Senator DENTON. And less chance of retaliation?

Judge WEBSTER. Yes. Well, I think that retaliation from us, you mean? I think that we will retaliate whenever we can identify his activities, wherever they are.

Senator DENTON. Yes; we have already shown that we would not abide indefinitely the kinds of injuries to our citizens and interests overseas.

Many people are alarmed over the seemingly endless number of espionage cases that the FBI is developing. In the past decade, we were averaging one or two prosecutions a year, although several others were not surfaced in order to exploit their counterintelligence potential.

Do you have an opinion as to why we seem to be inundated now with these cases, relatively inundated? And are there indicators common to these cases which lend themselves to the creation of a profile of cause?

Judge WEBSTER. Again, there is a certain amount of speculation in this just as there is in any kind of measuring of crime statistics. Are we doing a better job of finding it or is there more of it?

And probably it is a combination of both. The hostile intelligence services have become more aggressive, identifiably more aggressive in this country in recent years. The spiderweb approach that I described earlier in my testimony is having a profound effect on our ability to focus on contacts with the hostile presence in this country and to take appropriate preventive steps. The use of physical surveillance, electronic surveillance, the use of double agents, the development of recruitments in place, previously almost impossible, are now being done with considerable success.

All of these have helped us to identify not only known or suspected intelligence officers, but also, what they are looking for and who they are trying to recruit. This has materially assisted us in preventing them from making contact, or accepting contacts from traitors who want to sell secrets without going outside the United States to have meetings in Mexico, Vienna, or other places. We certainly do not claim 100 percent success, because we do not know about the things that we do not know, but based on what we are doing, I have considerable confidence that our strategy is working.

In terms of profiling, looking over the half dozen or so people who came out of intelligence agencies in the United States and sold secrets or offered to sell secrets, I do not think it is possible to make a profile. The only common denominator at all is the common denominator of money. Our traitors today are interested in money and have no common ideology. I have not been able to identify a true believer in the Communist credo among any of the American traitors of the last several years.

Sometimes they have other motivations—they are angry at their agency or they are angry at the country or they have a kind of perverse spirit of adventure; they like to take risks, but all of them take money. That is the common denominator. It makes our job somewhat tougher, because in earlier days, in the days when we were looking first for Nazi spies and then for Communist spies, after World War II and the development of the Iron Curtain, we could look at the pro-Communist organizations and the people who were active in political and ideological activity. That does not fly any more because those organizations are not effective and they are not responsible for producing the spies. Maybe some other things, but not the spies.

We cannot keep an eye on every U.S. citizen; no one would want us to. We have to keep an eye on the known hostile intelligence officers and to make sure that all of them are known to us. We can take steps at that point.

We have also been in touch with the thousands of corporations that have been entrusted with our most precious classified information, our military and technological secrets, to make them sensitive to unusual behavior, performance, and conduct by their employees who have access to those secrets. That generally is the strategy for

protection in the light of the kinds of persons we have identified as traitors operating in this country.

Senator DENTON. Without wanting to be a Maginot Line person, would you say that with all of your resources and capabilities that you could rule out attacks upon crowds of people in the United States by either a bomb or bombs, or machineguns, or even chemical or biological weapons? Would you feel that you had vastly overestimated yourself, your Bureau, our intelligence capabilities were three or four incidents like that to occur?

Do you credit our defenses or do you credit their intention to be able to achieve such a thing? Qadhafi has very little reputation to protect. He has been a liar in so many proven cases, I do not know what that would mean to him.

Judge WEBSTER. Well, we are now talking about terrorist activity as distinguished from counterintelligence, and there I have a slightly different perception of our strategy. Naturally we want the best base of intelligence and we are trying to maintain that, at this point.

There are different kinds of terrorist. They do not lend themselves to a profile, not even a common denominator. The choice of many of our domestic terrorist organizations has been to make political statements by destruction of property, and they have been very careful in their timing to have their bombs to go off when people are believed to be away from the buildings. That does not keep police officers and others from being killed, but it is not intended that they be killed. There has been a growing tendency in Europe and to the extent that Libyan or Middle East terrorist activity should emerge in the United States, we could expect that there would be a different objective.

In fact, the intelligence that was derived in the European community has been that much of the tasking in recent weeks, going to those Libyan People's Missions, was to plan acts that would result in significant loss of life. How do we protect against that?

There are many things that we do, of course, intelligence being the most important of all of them, but it is difficult for terrorists to come so far and engage in major terrorist activity without the support systems that involve collection of explosives, weapons, identifying targets, laying careful plans.

Senator DENTON. You said, explosives; just for the record, how about chemical, biological, are they any easier?

Judge WEBSTER. Well, I suppose that they could be, that there are various ways that they could come in undetected into the United States. Some that do not require any particular bulk and would not be detected from the standpoint of metal x-ray detectors and other devices.

Senator DENTON. Well, I had in mind, Judge, high school kids can put together, from elements, very deadly compounds.

Judge WEBSTER. Sure, sure. All of those public-source-type of things present potential avenues of abuse, by people who want to do it and we have to recognize that, but at the same time, there is no amount of money that we could spend that would assure us that we could protect ourselves against that happening. But good intelligence goes a long way.

Senator DENTON. I accept that last sentence without qualification, as my own assessment.

Judge Webster, H.R. 3614, which would restrict the use of Government vehicles for home to work transportation, has passed the House and is pending in the Senate. What is the current FBI policy on use of FBI vehicles, what is the basis for the policy and what effect would H.R. 3614 have on your operations, particularly emergency response capability and undercover operations?

That is, what is the current policy on the use of your vehicles, the basis for it, and what would H.R. 3614 do to you?

Judge WEBSTER. Mr. Chairman, it would have a significant adverse impact on our ability to respond to emergencies, including terrorist activity. It is our current policy to deploy approximately 20 percent of our field headquarters city vehicles to the homes of the agents so that they would be in a position on a 24-hour basis to respond to emergencies.

It seems to me nothing short of ridiculous to have an emergency affecting FBI jurisdiction, whether it is a major bank robbery, a kidnaping, or a terrorist activity, for us to have to summon the agents to drive down into town to pick up an automobile with a radio and other equipment necessary for an investigation before they can proceed.

By deploying approximately 20 percent of these vehicles in the field, we maintain a readiness capability that is important to our mission.

They are not like a corporate automobile that is given to some executive and he can use it as his own. These vehicles are not used for personal purposes and we severely discipline any agents who are found to have used their vehicles for those purposes. They have their own personal vehicle. This simply permits us to keep them close to the equipment that they need to respond to emergencies when they occur.

As I understand, the way that that legislative report is drafted, it is even more pernicious in the sense that it would impact upon our offsite surveillance techniques that are used in undercover work and other types of surveillance where our agents do not go into the offices themselves, but into other locations where they will not be quickly identified.

I understand that the language is so broad that it would even prevent us from letting them take those vehicles to those places.

Senator DENTON. Were there hearings on that bill, at which the FBI represented those points?

Judge WEBSTER. I understand that there were no hearings, Mr. Chairman.

Senator DENTON. Have you propounded those points to the Office of Management and Budget, OMB?

Judge WEBSTER. Yes, we have.

Senator DENTON. Any reaction that indicated prospects for relief?

Judge WEBSTER. I understand that they are not sympathetic to the problem.

Senator DENTON. Do you think that they understand the problem?

Judge WEBSTER. I would like to think that they do not understand the problem and that we have not done a good enough job of explaining it, because there is no other way that I can understand it.

Senator DENTON. We will do our best over here to ensure that our colleagues in this body understand the problem, but we also ask that you follow the issue closely, because there are ways that they can get bills through, in the dark of the night, sometimes, or in a package, and you do not even notice it.

Judge WEBSTER. Sometimes we have to catch our breath, but we appreciate it, Mr. Chairman.

Senator DENTON. The FBI sought to get back from the Marshals Service some of the fugitive apprehension responsibilities it gave up in 1979. What are these responsibilities and why do you want to get them back?

Judge WEBSTER. Well, the FBI has not made any official move to restore some of the authority that was delegated to the marshals. We have had negotiations with the Marshals Service, with a view toward fine-tuning our respective relationships, particularly in areas where we are interested in pursuing fugitives from FBI cases, where we have a continuing interest in developing leads and conducting ongoing investigations.

We acceded to transfer of certain types of fugitives from incarceration to the Marshals Service at a time when our budget was severely restricted and we were just simply unable to carry out all of our responsibilities. I do not quarrel with the work that is being done today and I think that the Marshals Service deserves a great credit for its activities in this area, but we are simply anxious not to have that process cross into fugitive work that is vital to our overall mission.

Senator DENTON. How many fugitives are involved in this?

Judge WEBSTER. Numbers of fugitives? I do not think that I can give you an answer to that, but I will try to give you one for the record.

Senator DENTON. In view of the time, and not wanting to make further demands on your endurance or valuable time, I shall defer 30 additional questions which I will submit for the record, and ask that you reply within a reasonable time.

Not only this subcommittee, but many subcommittees have experienced unusual delays. I try to be reasonable and not give you a tremendous volume of questions, but we did have a considerable delay the last time. There is a formal requirement of 15 days, but I will not ask that to be realized if it is not possible, but I would ask for more promptness than we had last year. I know that it is not you personally, but——

Judge WEBSTER. Certainly, Mr. Chairman, I will keep an eye on it.

Senator DENTON. Thank you.

We will insert your full statement here.

[Judge Webster's submissions for the record follow:]

PREPARED STATEMENT OF HON. WILLIAM H. WEBSTER
DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

I am pleased to appear before you again at the annual authorization hearing regarding the Federal Bureau of Investigation to discuss the FBI's accomplishments over the past year and what will be required to meet our future needs and goals.

In 1985, important accomplishments have been achieved in the FBI's four national priority programs -- organized crime, white collar crime, foreign counterintelligence and terrorism.

Mr. Chairman, time does not permit me to discuss all of the FBI's investigative accomplishments over the past year; however, I would like to highlight some of the more significant successes.

TERRORISM PROGRAM

For the fourth consecutive year, terrorist incidents in the U.S. declined. There were a total of 7 incidents in 1985. This compares with 51 in 1982, 31 in 1983, and 13 in 1984. Regretably, in 1985 two individuals were killed and ten were injured as a result of terrorist acts. Four of the 1985 incidents, including the two resulting in death, have been attributed to Jewish extremist groups. In two of the incidents Puerto Rican terrorist organizations claimed responsibility, including the shooting of a U.S. Army Major in Puerto Rico. One incident was claimed by the Red Guerrilla Resistance.

While numbers alone do not necessarily portray the true nature of the terrorist threat, the amount of violence actually prevented gives some measure of our accomplishments. In 1985, 23 planned acts were prevented through investigative activity. These include a plot to assassinate the Prime Minister of India and the Chief Minister of an Indian state; a plot to kill anti-

Qadhafi Libyan dissidents; a plot to murder cooperating witnesses in the Aryan Nations case; and plans to bomb 14 buildings, in the Northeast and Washington, D. C., including the Old Executive Office Building adjacent to the White House.

In 1985, for the first time, the FBI was actively investigating terrorist incidents committed outside the United States. As a result of the Act Against Hostage Taking, enacted as part of the Comprehensive Crime Control Act of 1984, the FBI assumed a leading role in the investigation of terrorist crimes directed at Americans overseas, including the hijacking of TWA Flight 847 and the liner Achille Lauro. These investigations required a tremendous amount of headquarters coordination and the travel of our Special Agents to Europe and the Middle East to collect evidence and conduct interviews.

In 1985, the FBI Terrorism Program recorded 89 arrests and 48 convictions against members of terrorist groups. This compares with 16 arrests and 21 convictions in 1984. Successes included the indictment and subsequent conviction in New York of 9 individuals associated with the New Afrikan Freedom Fighters; the conviction of 7 individuals in connection with 11 bombing incidents attributed to the United Freedom Front; the apprehension of Top Ten Fugitive Thomas William Manning of the United Freedom Front and his wife; the apprehensions of 5 associates of the May 19th Communist Organization, including Marilyn Jean Buck; the convictions of two May 19th Communist Organization members, Susan Lisa Rosenberg and Timothy A. Blunk who were each sentenced to 58 years in prison on a variety of Federal firearms and explosives charges; and the indictments of 17 individuals connected to the Puerto Rican terrorist group EPB-Macheteros for their role in the 7 million dollar robbery of the Wells Fargo Terminal in West Hartford, Connecticut. On August 30, 1985, fourteen of the Macheteros subjects were arrested and 37 search warrants were executed. Finally, as of January 7, 1986, 37 individuals associated with the Aryan Nation and "The

Order" have been arrested for various criminal activities. In 1985, 21 of these individuals were convicted.

We have continued to up-grade our analytical capability in terrorism through the Terrorist Research and Analytical Center at FBI Headquarters. We are applying advanced automation technology to support the development of knowledge based expert systems in this and other areas of FBI responsibility.

Not only have we taken a number of terrorists out of circulation, but we have helped create a perception that conditions in the United States are decidedly inhospitable for others of like mind and purpose. I do not wish my remarks and recitation of accomplishments today to be considered overly self-congratulatory or to leave the impression that we have terrorism on the run. The potential for significant terrorist violence at the hands of both foreign and domestic groups is quite real and the terrorist threat to Americans both at home and abroad will continue to be significant. The motivating factors behind such violence would likely be beyond the ability of the FBI to influence. But those who contemplate a terrorist course should know that the FBI is working on measures to improve our capabilities in this area and that we will commit the necessary resources to make conditions here even more inhospitable for such deeds.

Domestically, although extreme right wing organizations such as the Aryan Nations were dealt severe setbacks in 1985, they and other likeminded groups continue to pose a threat to targets such as Government buildings, law enforcement personnel and members of the Jewish faith. Groups of the radical left remain a concern because of their demonstrated ability to regroup after periods of adversity. The numerous arrests in 1985 have damaged the infrastructure which supported the criminal activities of leftist groups in the first half of the 1980's. Nonetheless, in our opinion, group members who remain at large pose a continuing threat to symbolic United

States Government targets. Despite our progress against the Puerto Rican terrorist group EPB Macheteros, lightly defended United States Government targets on the island of Puerto Rico, particularly Post Offices and Armed Forces recruiting stations, continue to be at considerable risk from less organized splinter groups and individuals. Among the international groups active in the United States, we are most concerned about those associated with Libya and Iran. But other groups, such as Sikh and Armenian extremists also continue to pose a grave threat to the interests of those in the United States whom they oppose.

FOREIGN COUNTERINTELLIGENCE

Mr. Chairman, my remarks concerning our efforts in the area of foreign counterintelligence must, by necessity, be circumspect. Specific details were discussed when the Subcommittee met in closed session in April 15. Our responsibility in this area is to identify foreign intelligence officers and their Agents operating in the U.S. and to prevent them from being successful in their efforts. The FBI's mission in this area is a difficult one, but I believe we are succeeding and our publicized successes are only a small part of the picture.

The increase in personnel and material resources in support of our foreign-counterintelligence program, coupled with our energetic support for additional restrictions on the freedom of action of hostile intelligence officers in the United States contributed to an exceptionally successful year. In terms of arrest and convictions, during 1985, a total of 11 individuals were arrested on espionage charges. Of these, seven have been convicted of those charges and four cases are pending. In 1985, an additional nine individuals arrested prior to 1985 were convicted of espionage or related offenses.

Interagency cooperation in foreign counterintelligence continued to improve in 1985, as reflected in the successes noted above. There was a significant expansion in the scope of foreign

counterintelligence cross-training among members of the Intelligence Community. This took the form of instructor exchanges, joint practical exercises, and attendance at each other's schools and seminars.

WHITE COLLAR CRIMES

The White Collar Crime Program has three major investigative priorities: government fraud, public corruption, and financial crimes. In 1985, 4,492 individuals were convicted or entered pretrial diversion programs. Fines, recoveries, restitutions and court ordered forfeitures totaled $572 million. The government fraud program had a number of significant accomplishments, including the conviction of the former Deputy Mayor for Economic Development here in the District of Columbia; the conviction in Glendale, California of a subcontractor on the stealth bomber project on defense procurement fraud charges; and the convictions in Los Angeles, California of ten individuals involved in kickback schemes regarding subcontracts on defense procurement projects. Important convictions were obtained in our public corruption investigations, including a Justice of the New York State Supreme Court, the court of original jurisdiction in New York; the Chief Judge of the United States District Court for the Southern District of Mississippi; and a former Oklahoma State Senator and his wife.

In calendar year 1985, 175 banks and savings and loan institutions failed or were reorganized following insolvency. Many of these failures were caused by frauds and embezzlements committed by officers, owners or major stockholders and are under investigation by the FBI. This problem was typified by the case of Jacob Butcher, Chief Executive Officer of the former United American Bank of Knoxville who was sentenced to three concurrent twenty year sentences following his conviction on bank fraud related charges. On April 2, 1985, the Attorney General and I signed an agreement with the various Federal bank regulatory

agencies that will result in better coordination on bank fraud matters, particularly bank failures resulting from insider fraud.

ORGANIZED CRIME PROGRAM

The Organized Crime program is carrying foward the attack on organized criminal groups which operate nationwide and engage in racketeering activities and drug trafficking. These include the La Cosa Nostra (LCN) and the Sicilian Mafia, outlaw motorcycle gangs, oriental crime groups, Colombian cocaine cartels and Mexican drug trafficking organizations. In fiscal year 1985, the FBI's organized crime investigations resulted in 2,966 convictions and 3,801 indictments, including 1,365 convictions and 1,940 indictments in Organized Crime Drug Enforcement Task Force investigations. Additionally, these investigations resulted in nearly $14 million in fines, over $427 million in recoveries (including narcotics), over $10 million in restitutions, and over $20 million in court ordered forfeitures. Another 601 convictions and almost $3,000,000 in fines resulted from information disseminated to state and local law enforcement.

Impressive as they are, these statistics do not adequately describe the impact we have had and continue to have on organized crime. In every part of the nation, the LCN has been affected by this effort. In New York, a series of prosecutions are in various stages of completion charging the La Cosa Nostra hierarchy with illegally influencing the moving and storage industry, the air freight industry, the construction industry, the drywall subcontracting industry, the waste disposal industry and the food service industry. Among these prosecutions are those charging the New York families as racketeering enterprises and the LCN commission with illegally influencing the construction industry. In December the boss of the Genovese family and eight associates were convicted. In February, in Boston, the underboss of the New England LCN and four of his top associates were convicted. Other LCN members in New England have been charged with controlling part of the New England casino

junket industry. In Cleveland, Milwaukee, Kansas City, Chicago, New Orleans and Denver, LCN bosses are incarcerated. The former underboss of the Cleveland LCN is now cooperating with the government.

On May 2, 1985, 105 members and associates of the Hell's Angels Motorcycle Gang were arrested on narcotics, racketeering and firearms charges. Searches conducted at over 50 locations resulted in the seizure of 100 firearms, explosives, files, records, and a computer with related software. This operation involved 15 field divisions and over 500 law enforcement officers, including the FBI, DEA, ATF and state and local officers. In addition to the Hell's Angels, members and associates of the Pagans Motorcycle Gang, the Dirty Dozen Motorcycle Club, the Outlaw Motorcycle Gang, the Grim Reapers Motorcycle Gang, the Bandido Motorcycle Gang, and the Iron Coffins Motorcyle Gang were either arrested, indicted, or convicted in 1985.

The FBI, in cooperation with the New York City Police Department, introduced two undercover officers as members of the United Bamboo, a Taiwan based Chinese secret criminal society. This operation prevented four contract murders ordered by United Bamboo. On September 14, 1985, 12 individuals were arrested. Arrests were made in New York, Houston, Las Vegas and San Francisco.

As of December 31, 1985, 2,003 cases were being managed under the FBI narcotics program, including over 700 joint FBI-DEA operations and 427 Organized Crime Drug Enforcement Task Force investigations. Cooperation with DEA continued in other areas. The FBI will support the DEA's secure data processing activities within the FBI Headquarters Computer Center; FBI and DEA research and development and engineering activities will be collocated and fully integrated as part of the Engineering Research Facility to be constructed at the FBI Academy; and the FBI has been designated the lead agency in developing an integrated digital

voice privacy radio system for the FBI, DEA and U. S. Marshal's Service. A pilot system is already in operation in the Boston Division linking the FBI and DEA. And significantly, on October 1, 1985, DEA commenced training operations at the FBI Academy in Quantico, Virginia.

GENERAL CRIMES PROGRAM

The FBI's General Crimes Program substantially contributes to the Federal government's initiatives to augment local law enforcement's efforts to combat violent street crime. Our efforts involve investigations in two major areas - Personal Crimes, such as bank robbery, extortion, kidnaping, assaults on Federal officials, and tampering with consumer products; and Property Crimes, involving an interstate element in the theft and/or transportation of valuable property, such as motor vehicles, jewelry and artwork. These crimes have a significant emotional and monetary impact on the business world and general public. For example, during 1985, motor vehicle thefts reported to the FBI's National Crime Information Center averaged in excess of 84,000 vehicles per month with an average monthly loss value exceeding $371 million. In the auto theft area, the FBI concentrates on major theft rings and those rings involving organized crime.

Investigative efforts in the General Crimes Program in 1985 resulted in the conviction of 4,408 persons in Federal court and 1,019 subjects in state or local cases. Stolen or illegally possessed property valued at over $167 million was recovered. Fines levied in Federal court against convicted subjects totaled nearly $6 million.

Included in the General Crimes Program is the management of the FBI's Fugitive Program involving substantive case fugitives as well as individuals charged under the Fugitive Felon Act. During 1985, the FBI arrested or located 10,180 fugitives, including 1,228 individuals charged under the Fugitive Felon Act.

Mr. Chairman, the UFAP Program is an important part of the FBI's investigative responsibilities. UFAP investigations often lead to the identification of subjects of other crimes; they are invaluable in promoting informant development; and they are an integral part in establishing and maintaining productive relationships with state and local law enforcement agencies. These relationships benefit the FBI's Narcotics, Terrorism, White Collar Crime, Organized Crime, and General Crimes Programs since valuable information in these matters often is obtained as a result of these longstanding contacts.

CIVIL RIGHTS PROGRAM

In Fiscal Year 1985, our Civil Rights Program obtained 45 convictions, including 11 individuals successfully prosecuted in racial violence cases. Included among these accomplishments are the convictions of three members of the Ku Klux Klan in connection with a series of 22 incidents involving cross burnings, shootings and other acts of harassment against black and white citizens in Alexander and Iredell counties, North Carolina. In New Jersey, a New Jersey State Trooper was convicted for beating an intoxicated victim to death. The Trooper had been acquitted previously in state court. To date, in Fiscal Year 1986, 16 individuals have been indicted in racial violence cases and three of them have been convicted.

UNDERCOVER AND SPECIAL OPERATIONS

During Fiscal Year 1985, FBI undercover operations led to 1,181 convictions. Indictments, informations and complaints were filed against 2,848 individuals. Over $7 million in fines were levied; recoveries and court ordered forfeiture totaled over $59.5 million; and over $67 million in narcotics were recovered.

A 19 month undercover operation, code named RIPSTOP, has, to date, resulted in the indictment of more than 170 subjects, including 66 active duty military personnel engaged in the theft and subsequent fencing of military field equipment. More than $479,000 worth of stolen Government property has been

recovered. Additional indictments are expected in the future. In Atlanta, an undercover operation code name PHARMONEY has resulted to date in guilty pleas from 77 individuals engaged in the diversion of prescription pharmaceuticals. Additional prosecutions are expected. This undercover operation revealed that diverted drugs were often stored in unsanitary conditions, mislabeled and sold after the expiration of the effective use date. Over $600,000 in adulterated prescription drugs were recovered. Additional prosecutions are expected.

The FbI now has over 170 pilots operating 49 owned and 20 leased aircraft. In 1985, our aircraft flew over 35,000 hours in support of our investigations. Their contribution to our successes have been important and include assistance in arrests and the recoveries of kidnapping victims and ransoms.

FISCAL YEAR 1987 BUDGET REQUEST

For FY 1987, we are requesting $1,278,410,000 in direct funding and 22,430 permanent positions. This represents a net increase of $85.4 million and 776 positions over the 1987 base level. This request includes 469 permanent positions for field general support employees who are urgently needed by the FBI in order to accomplish essential support functions. An additional 44 positions will enable the FBI to continue the implementation of its long range automation strategy which calls for a fully integrated distributed data architecture which will span the interests of FBI information users in field divisions and FBI Headquarters. The remaining number of permanent positions requested will be utilized to support our priority investigative programs. We believe that these additional positions will increase our effectiveness in the Criminal, Counterterrorism, Foreign Counterintelligence, and Investigative Support programs.

The FBI's increased allocation of resources to the National Priority Programs of Terrorism, Organized Crime, White Collar Crime and Foreign Counterintelligence has significantly increased the workload of our general support employees. These

complex investigations have a domino effect on the administrative support required for filing, indexing, transcribing and typing tapes and additional evidence handling. The development of innovative investigative techniques and computerization of priority investigative program data have made it necessary to develop specialist positions, such as the Organized Crime Information System and Intelligence Information System Analysts to review, analyze and evaluate investigative data. It has also become necessary to have Electronic Technicians to maintain these systems. These specialist positions have come at the expenses of our field office general support. We lost an average of 665 general support to speciality positions between 1979 and 1981.

Mr. Chairman, that concludes my prepared remarks. I will be happy to answer the Subcommittee's questions.

U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

July 14, 1986

Honorable Jeremiah Denton
Chairman, Subcommittee on Security
and Terrorism
Senate Judiciary Committee
United States Senate
Washington, D. C.

Dear Chairman:

Enclosed please find my responses to the remaining questions for the record of my April 30, 1986 appearance before the Subcommittee, including several classified responses for the closed record of the hearing and responses to questions submitted by Senator Leahy and Senator Simon. Copies of the responses to the questions submitted by Senators Leahy and Simon are being furnished to them.

Sincerely yours,

William H. Webster
Director

Enclosure

* * *

UFAP APPREHENSIONS

Question: Regarding Unlawful Flight to Avoid Prosecution, can you tell us how many UFAP fugitives have been apprehended by the Bureau this past year and how many are still at large? Of those apprehended, how many were actually taken into custody by state and local law enforcement agencies and how many were taken into custody exclusively by FBI Agents?

Response: During Fiscal Year (FY) 1985, 781 UFAP fugitives were arrested by the FBI. As of March 31, 1986, the FBI had 2,060 origin UFAP cases pending fieldwide. All 781 UFAP fugitives apprehended in FY 85 were actually taken into custody exclusively by FBI Agents.

The FBI does not maintain statistics on the numbers of UFAP subjects arrested by other law enforcement agencies nor are these arrests counted as FBI accomplishments.

FBI JURISDICTION OF UFAP

Question: On page 2 of Mr. Jensen's response, the Deputy Attorney General points out that one reason for not transferring UFAP jurisdiction from the FBI to the U. S. Marshal Service is that, "apprehension of a fugitive is often accompanied by a collection of physical and testimonial evidence which can be highly important in connection with any judicial proceedings involving the fugitive. Such evidence, if not properly obtained and preserved may be held inadmissable."

Judge Webster, we have asked the General Accounting Office and your Agents to identify specific UFAP fugitive cases in which evidence was gathered for use in a judicial proceeding and thus far, although we have been assured that there are such cases, we have not had them identified and detailed. Do you have any specific information in this regard?

Response: During the first week of March, 1986, the FBI provided the General Accounting Office (GAO) with numerous examples of UFAP investigations in which evidence was gathered and subsequently used to support state and local prosecutions. The following cases are set forth to illustrate individual examples of such prosecutions:

NAJEE SHADEED ABDUL ALI,
UFAP - MURDER

On 6/9/81, Ali was charged with maliciously killing Marvin Brown and assaulting Debby Rae McNally with the intent to commit murder. This murder and attempt to murder by Ali and a co-defendant Tyrone Harrell, involved possession and distribution of cocaine. It was an execution style murder/assault, with Debby McNally being shot once in each arm, three times in the chest and once in the back of the head. On 3/22/83, an Unlawful Flight to Avoid Prosecution warrant was obatined by FBI Agents at Baltimore, Maryland.

On 3/15/85, Ali was arrested under the alias of Richard Paul "Reggie" Wilson, in New Orleans, Louisiana. His arrest was directly attributable to an FBI Identification Order, inasmuch as a citizen recognized Ali's picture and notified the FBI. Special Agents of the FBI from the New Orleans, Louisiana

Division, interviewed Ali on 3/15/85 and were called upon to testify as to statements that Ali made during that interview. The Special Agents testified on 7/29/85, and Baltimore County States Attorney Barbara Jung, stated that the testimony of these Agents resulted in a successful prosecution of Ali, who was sentenced to life plus 25 years.

WILLIAM DEAN CHRISTENSEN,

UFAP -RAPE; UNNATURAL SEX ACT;

ASSAULT AND BATTERY - PAROLE VIOLATOR

Christensen was convicted in Montgomery and Talbot Counties, Maryland, in 1973 on various counts of rape, unnatural sex acts and assault and battery. On 4/1/80, Christensen was paroled. On 9/30/80, his parole was revoked based on arrest warrants having been issued earlier for his arrest in the state of Maryland when he was charged with assault, (6/28/80), rape at knife point (7/18/80) and absconding (7/24/80). Christensen failed to report these arrests to his parole officer. On 4/24/81 an Unlawful Flight warrant was obtained for his arrest. Investigation determined that days earlier, on 4/18/81, Christensen had been arrested in Montreal, Canada, for rape and that he was then in custody for that charge. Federal detainers were placed in Canada as well as local detainers by Montgomery County, Maryland. On 4/2/82, while awaiting extradition proceedings, Christensen was released from custody in Canada due to an administrative error. Thereafter he was again actively sought as a Federal fugitive. The subsequent investigation to locate and apprehend Christensen involved investigation in 12 states and investigation in Canada. During the course of the fugitive investigation to locate and apprehend Christensen, Agents of the Baltimore Office of the FBI determined that subject's mother and father, together with an associate, had harbored Christensen by supplying him with funds and the wherewithal to evade apprehension. Based on this investigation, all three individuals were charged in Montgomery County, Maryland, and at the subsequent trials FBI Agents were the main sources of testimony which resulted in all three individuals being successfully prosecuted and convicted.

FRANCES RICHARD FERRI,
UFAP - MURDER

Ferri was charged in Alleghany County, Pennsylvania, with one count of criminal homicide and two counts of criminal conspiracy in the multiple gun shot shooting of John Heatherington. Ferri was also involved in narcotics and has been convicted of explosives violations.

The subject was observed by the Baltimore FBI Surveillance Team in the lobby of the Holiday Inn at the Baltimore/Washington Airport. Subject was arrested and taken into custody. Subsequent to his arrest, the vehicle in which he was driving was searched and items found there included three bags of cocaine. Also recovered from Ferri's person were numerous items of false identification, address books, telephone numbers, and other items which were forwarded to the Pittsburgh Division. As a result of the seizure of personal items from the person of Richard Ferri, Baltimore Agents were requested to proceed to Pittsburgh to testify in the homicide trial of the subject. The evidence obtained incidental to arrest was admitted and was instrumental in the conviction of Ferri for murder.

Our files contain many such examples of the value of FBI Agents observations, interviews and evidence recognition/ collection in subsequent local judicial proceedings.

2044, THE UNITED STATES MARSHAL SERVICE ACT

Question: Judge Webster, what is your position on S. 2044, the United States Marshal Service Act, and do you foresee the liklihood of some matters now within the FBI's investigative jurisdiction being reassigned to the Marshal Service when it becomes a bureau of the Department of Justice?

Response: The U.S. Marshals Service, through the addition of a new subsection in the original version of the bill, proposed to legislate their fugitive investigative authority through codification of an existing Attorney General's regulation. The regulation contained in 28 CFR 0.111, subparagraph (q), delegates to the Service fugitive investigations "involving escape of

Federal prisoners, probation, parole, mandatory release and bond default violators." The new statutory language deleted the limiting word "involving" and substituted the conjunction "and" which we believe would have removed any future Attorney General discretion to reassign escape of Federal prisoners, probation, parole, mandatory release and bond default violators within the Department.

We have no objection to a clearly defined role for the U.S. Marshals Service (USMS) in the Department's fugitive Program, but we believe that the Attorney General should retain full directive authority.

On February 10, 1986, USMS Director, Stanley Morris and I discussed modification of the language of the proposed act at Section 566. We agreed that this section should be modified to read:

"(d) The U.S. Marshals Service is authorized to investigate fugitive matters, domestic and foreign, as directed by the Attorney General."

This language will avoid any interpretation of congressional intent to limit or expand the fugitive investigative authority of the USMS.

The FBI does not forsee the likelihood of loosing investigative jurisdiction to the USMS when it becomes a bureau of the Department of Justice.

QUESTION:

Judge Webster, you have given us specific information on the Bureau's accomplishments in the domestic terrorism area over the past year. Was the specially trained and equipped 50 man Hostage Rescue Team used in any of these actions? If so, will you tell us about those cases? If not, what training has the HRT undertaken which will equip it to confront a real terrorist situation?

ANSWER:

In 1985, the Hostage Rescue Team (HRT) was deployed in the following matters:

In April 1985, the HRT deployed to Arkansas to assist in the apprehension of four Aryan Nations (AN) fugitives located on The Covenant, The Sword, The Arm of the Lord (CSA) Compound. (The AN espouses the creation of an all-white Aryan society, preaches the inherent inferiority of minority races and Jews, and fosters a hatred for the Federal Government and, in particular, Federal law enforcement agencies.)

The CSA is a paramilitary survivalist and religious organization headquartered on approximately 200 acres of rugged mountain land in Marion County, Arkansas, and subscribes to the "identity" religion which professes belief that the white race is God's chosen people and that Jews, blacks, and orientals are inferior. The CSA stockpiles large quantities of weapons, explosives, incendiary devices, and ammunition. It's members have been involved in violent confrontations with law enforcement authorities, the most widely publicized of these having occurred on June 30, 1984, when an alleged CSA member shot and killed a black Arkansas State Trooper. On April 22, 1985, following intense negotiations with the HRT, CSA Leader James Ellison and the four Aryan Nations members were arrested at the CSA compound.

Upon completion of negotiations, HRT cleared and secured the main compound. This was done without incident, although intelligence information had been received that the area had been booby trapped. Numerous automatic weapons, explosives and a law rocket were found, as well as the remnants of a centrally controlled minefield.

In August 1985, the HRT deployed to the Commonwealth of Puerto Rico to assist in the apprehension of 11 Ejercito Popular Borica (EPB)-Macheteros members.

The EPB-Macheteros is a self-described, proindependence clandestine terrorist group which operates alone and jointly with other terrorist organizations in Puerto Rico. The announced goal of this group is to obtain the independence of Puerto Rico through the use of violence. The group, more commonly known as the Macheteros, has claimed responsibility through communiques or has otherwise been linked to some of the most violent terrorist activities in Puerto Rico. Since its emergence in 1978, the Macheteros have been linked to at least 18 incidents including the December 3, 1979, ambush of United States servicemen in Sabana Seca, Puerto Rico, which took two lives and injured nine others.

On August 23, 1985, 17 individuals, who are either leaders, members, or otherwise associated with the EPB-Macheteros, were indicted for their role in the September 12, 1983, 7 million dollar robbery of the Wells Fargo Terminal, West Hartford, Connecticut. On August 30, 1985, 14 of these individuals were arrested in a coordinated action in Puerto Rico; Boston, Massachusetts; Dallas, Texas; and Cuernavaca, Mexico.

Thirty-seven searches of residences and vehicles were conducted, resulting in the seizure of voluminous amounts of documentary evidence and munitions. HRT personnel successfully arrested two individuals and searched four separate locations. One of the individuals arrested by HRT was armed with an automatic handgun and a submachine gun. Although the individual opened fire, wounding one Special Agent, he was disarmed by HRT with no further casualties.

QUESTION:

Please describe existing joint efforts between the FBI and other Federal law enforcement agencies to identify and locate terrorist and potential terrorist targets in the United States.

ANSWER

As the FBI's Terrorism Program has evolved, it has become increasingly clear that the primary goal ought to be the prevention of terrorist activity. In view of this, a new unit was created at FBI Headquarters in 1985 to work with other elements of the overall United States counterterrorism structure to identify possible targets and make plans for responding to specific conceivable threats. This unit works closely with entities such as the Department of Defense (DOD), Department of

Energy (DOE), etc., on prioritization of locations and facilities for the purpose of contingency planning in the event of a terrorist takeover. To assist in this contingency planning, the FBI has signed Memoranda of Understanding with the Nuclear Regulatory Commission and DOE with regard to threat, theft or sabotage in the nuclear industry and response to an incident involving an improvised nuclear device.

Additionally, the FBI works closely with such agencies as the Bureau of Customs; the Bureau of Alcohol, Tobacco, and Firearms; the United States Secret Service; and the Immigration and Naturalization Service where the jurisdictional interests of those agencies are involved.

QUESTION:

Is it currently possible for county, local, or state law enforcement agencies to obtain terrorist intelligence information from the FBI in the event that one of these agencies has someone in its custody whose behavior justifies an inquiry?

ANSWER:

The FBI shares information pertaining to terrorism matters with state and local law enforcement on an as-needed basis. That is to say, if we have information indicating that terrorist elements pose a specific threat to persons or property, we will make this information available to the local authorities, whenever possible. Situations do occasionally arise where concerns about the protection of sensitive sources and methods or the integrity of an investigation preclude a premature dissemination of information. Further, we operate under guidelines which allow us to collect and retain domestic security information under certain circumstances, but which also require us to handle this information in a fashion consistent with the protection of constitutional rights. Except in the context of rather generalized briefings on the nature of the terrorist threat, therefore, we do not routinely disseminate intelligence in the absence of a demonstrated need to know. This is not the case, however, were formalized joint task forces exist. Where we have that type of relationship with an agency, the detectives or troopers receive all necessary clearances, work in accordance with the Attorney General's Guidelines, and share fully in all information developed.

As a matter of course, we disseminate detailed information regarding terrorists who are in a fugitive status. Should local authorities have an individual in custody regarding whom we have terrorist-related intelligence, we would share that intelligence with them provided that it fell within their investigative or protective jurisdiction or that such sharing would help prevent a crime or the use of violence. This is the standard set by the Attorney General's Domestic Security/Terrorism Guidelines.

QUESTION:

What is the Bureau's responsibility with respect to responding to possible terrorist penetrations and thefts from nuclear powerplant facilities and nuclear waste depositories?

ANSWER:

The FBI is the lead agency for operational Federal response to terrorist incidents within U.S. territory. Consequently, the FBI's responsibility for responding to terrorist attack on a nuclear plant or a nuclear waste storage site would be very significant. A terrorist attack at a Nuclear Regulatory Commission (NRC) licensed nuclear power plant or a Department of Energy (DOE) facility may be in violation of the Atomic Energy Act of 1954 as well as other Federal statutes of concern to the

FBI. In such cases, the general role of the FBI would be one of actively investigating the incident and coordinating law enforcement action to apprehend the perpetrators, recover any stolen or diverted nuclear material and support Federal prosecution. FBI Special Weapons and Tactics (SWAT) teams and the Hostage Rescue Team (HRT) would be available for response against barricaded adversaries.

The FBI has daily contact with NRC and DOE on a headquarters and field basis. Memoranda of Understanding are in effect with regard to threat, theft or sabotage in the nuclear industry and response to an incident involving an improvised nuclear device. FBI field divisions maintain contingency plans for response to NRC licensed facilities and DOE installations. Field and headquarters elements of the FBI, NRC and DOE regularly participate in training exercises. Other exchanges occur on a regular basis, e.g., NRC and DOE participation in FBI Nuclear Terrorism In-Services, and FBI membership on the DOE Safeguards and Security Steering Group. The FBI has assisted NRC in their ongoing re-examination of threat-based security precautions. This assistance includes appearance before the NRC in June 1985, testimony before the House Subcommittee on Energy Conservation and Power in September 1985, and a formal briefing on FBI response to a terrorist incident at NRC-licensed facilities in January 1986.

With regard to nuclear waste deposits, all high-level nuclear waste (which may be covered under the Atomic Energy Act) is now retained on-site at the DOE or NRC licensed facilities which produced the waste. As such, those deposits involve the same level of FBI responsibility as the actual facilities. The two strictly low-level waste facilities would receive quick response from the FBI in the event of a terrorist incident.

QUESTION:

Are there groups of terrorists now operating in the United States that pose a specific threat to the security of the government of a state?

ANSWER:

Of the domestic terrorist groups, we judge those currently operating in the Commonwealth of Puerto Rico to pose the greatest threat to United States Government interests. Of chief concern are individuals associated with groups which have in the past used the names EPB-Macheteros and Organization of Volunteers for the Puerto Rican Revolution (OVRP). While it seems certain that the arrests of 14 key figures involved in the Puerto Rican terrorist movement on August 30, 1985, was a severe blow to the organizational structure which supported violent activities on the island over recent years, we anticipate that incidents will continue on at least a sporadic basis in the near term. Examples of the type of incident we can expect would be the November 1985 shooting of a United States Army officer and the January 1986 bombing attacks on a United States Army Recruiting Center and three United States Postal Department facilities. Lightly defended symbolic government targets in Puerto Rico will continue to be at risk.

We also believe that extremist elements of Jewish groups pose a serious threat to persons seen by these groups as conspicuously anti-Semitic or anti-Israel and to American-Arabs. A series of bombings resulting in two deaths and nine injuries in 1985 is demonstrative of the nature of this threat.

Of the international groups, our chief concern relates to individuals in the United States who are affiliated with Libya and Iran and who could possibly use a network of existing associations as an infrastructure to support terrorist activity. While to date most of the violent activity engaged in by these individuals has been directed against dissident elements of their

own number, Iran and Libya have amply demonstrated their antipathy toward the United States. Our concern, therefore, centers on the possibility that a continued deterioration of conditions in the Mideast might trigger incidents of violence in the United States and that the existing infrastructure could support this activity.

The FBI is in possession of no information which would indicate that any of the above mentioned elements pose a specific threat to the government of an individual state. A basic theme, however, of certain right wing extremist groups, such as the Aryan Nations and the Sheriff's Posse Comitatus, is that state and Federal goverments are illegal.

QUESTION:

Which groups, in your opinion, pose a threat to racial or religious denominations?

ANSWER:

The extremist right wing terrorist groups, such as the Aryan Nations; the Covenant, the Sword, the Arm of the Lord; and the Sheriff's Posse Comitatus are generally paramilitary and survivalist oriented. In addition, they are anti-Semitic and anti-Black. Some adhere to a fundamentalist religious belief, while others profess that state and Federal governments are illegal. These organizations believe that the end of society is near at hand or that a nuclear war is imminent and they are preparing for this. Although they are anti-government, these groups do not consider themselves to be anti-American. Many right wing extremists, in fact, consider themselves patriotic Americans. What separates the terrorist groups from other like-minded but non-terrorist right wing groups is that they advocate or have committed violence and other criminal acts to further their respective causes.

In recent past, members of right wing terrorist groups have been allegedly or actually involved in assaults and murder against Federal, state and local law enforcement authorities; other murders; bombings; armored truck robberies in Ukiah, California ($3.6 million) and Seattle, Washington ($545,000); counterfeiting; and weapons violations. Searches of operational bases and homes have yielded numerous weapons, ammunition, explosives, and other material for use in the commission of violence. While several of the groups have been effectively handled through successful prosecutions, the threat to religious, ethnic, and certain government elements remains viable.

QUESTION:

In your opinion, do Jewish extremist groups represent the only threat to Arab Americans, or has anti-Arab sentiment spread to other segments of our society?

Do you think that recent movies depicting Arab terrorism directed against Americans have increased the likelihood of threats and harassment against the Arab American community?

ANSWER:

The Jewish extremist groups represent but one segment of an anti-Arab sentiment that is prevalent in our society today. Recent portrayals of Arab terrorists in movies and television productions have served to increase this anti-Arab prejudice or sentiment, but not to the point where they provoke unbiased individuals into violence or threats against the American-Arab community. In assessing this anti-Arab sentiment, a distinction should be made between those individuals or groups who have historically been predisposed towards violence against any and all Arab interests in our society, and other individuals or

organizations, who, because of recent world events, are suspicious of American-Arab activities or organizations in the United States. This latter group, though struggling to comprehend the complexities of this situation, are not believed to be so politically naive, nor so easily influenced whereby they would engage in violence or threatening activity against American-Arabs. Thus, it is believed that the increase in the likelihood of violence against the American-Arab community would originate with these extremist factions which might wish to capitalize on a perceived anti-Arab hysteria in the United States.

QUESTION:

After last October's terrorist bombing of the offices of the American Arab Anti-Discrimination Committee which resulted in the death of Alex Odeh, Irv Rubin of the Jewish Defense League was quoted as saying that Mr. Odeh "got exactly what he deserved."

What progress has been made toward finding those responsible for this terrorist incident?

Has Mr. Rubin's organization been implicated?

ANSWER:

From the outset of this incident, the FBI was totally involved in this investigation, having Special Agents respond to this crime scene to coordinate the search of this area with appropriate local authorities, and to interview potential witnesses. As the lead Federal agency in investigating terrorist incidents, the FBI has been aggressively pursuing all logical leads in this matter, as well as in other incidents that are related to this bombing. In addition, the information developed in this investigation is being analyzed and evaluated in conjunction with investigations of other violent crimes whose modus operandi and/or motive is consistent with the bombing of the American-Arab Anti-Discrimination Committee office in Santa Ana, California.

A major commitment of resources has been, and continues to be, committed toward the solution of this and related bombing matters. Progress has most certainly been made and suspects have been identified. However, this investigation has not yet reached the point where individuals could be indicted for their involvement in this bombing incident. Inasmuch as the Jewish Defense League (JDL) claimed responsibility for other, but similar, bombing incidents, certain JDL members come within the purview of this investigation.

QUESTION:

With the growing demand for private security forces in the United States, is the Bureau investigating the possibility of developing some level of communication with these new civilian armed guards?

For example, what, if any, is the relationship between the Bureau and the private security forces that protect Nuclear Power Plants?

ANSWER:

Yes. The FBI maintains relationships with a variety of private firms and organizations. Executive Assistant Director for Investigations, O.B. Revell, for example, is a member of the American Society for Industrial Security, as well as its White Collar Crime Committee.

We have an ongoing relationship with the Security Directors of the airlines. The FBI recently hosted an airline industry conference on terrorism attended by officials from 17 major

United States airlines companies and officials from related associations.

Members of the FBI's Hostage Rescue Team (HRT) have met with officials from Wackenhut Security, which is responsible for security of the Department of Energy's (DOE's) facility at Savannah River, Georgia, and security officials from Martin Marrietta Energy Systems, which is responsible for security at DOE's Oak Ridge plant in Knoxville, Tennessee. In addition, several members of the HRT will be attending DOE's Central Training Academy in Albuquerque, New Mexico, in order to be aware of DOE's security force response capability.

Last year you indicated that Oriental gangs were becoming a measurable problem. What have you done to control their growth? How many Cantonese speaking FBI Agents are there?

The FBI has used task forces to address the emerging crime problem presented by Oriental organized crime groups. For example, in New York City, which has a number of gangs which engage in the full spectrum of criminal activity from prostitution to murder, the FBI and New York City Police Department have formed a joint task force. This has resulted in indictments for violation of the Racketeer Influenced Corrupt Organization Statute by two major gangs, the Ghost Shadows and the United Bamboo. Both gangs' criminal operations have been disoriented as the result of their top leaderships being arrested and incarcerated while awaiting prosecution.

The FBI is pursuing investigations of similar groups in other cities. Currently there are joint task forces in Los Angeles and Honolulu, as well as in New York.

There are 141 Chinese speaking Agents in the FBI, 51 speak Cantonese and 90 speak Mandarin.

S. 1499, THE ANTI-TERRORIST TRAINING AND ENFORCEMENT ACT

QUESTION:

Judge Webster, what is the Bureau's position with regard to S. 1499, the Anti-terrorist Training and Enforcement Act?

ANSWER:

The FBI strongly opposes this legislation because it would result in duplication of effort and confusion among state, local, and foreign law enforcement agencies regarding the Federal government's counterterrorism effort.

During the past two fiscal years, the FBI has conducted a myriad of terrorism-related training courses and conferences for local law enforcement, the military and other Federal agencies. It is projected that by the end of FY 1986, a total of

6,319 individuals will have participated in such FBI sponsored training. The attached outline sets out details of this training. There is no documented need for an additional facility at a cost of over $18 million to conduct such training.

The authorization of $3 million to develop a portable system of explosives identification and detection devices would duplicate the efforts of the Department of Transportation which already has been tasked with developing such devices. The explosives incident data base, at a cost of $3 million would duplicate the function of the FBI Bomb Data Center, one of seven international centers that exchange information through established channels.

Finally, the FBI has been designated the lead Federal agency for dealing with terrorism here in the United States. An Antiterrorist Law Enforcement Council would dilute the FBI role and would not add anything to the already existing law enforcement effort in this area. The provision of antiterrorism training is and should remain the responsibility of the Department of Justice and the FBI. Training other law enforcement personnel at a Treasury facility would only serve to confuse those personnel, foreign and domestic, concerning the structure and responsibility for the Federal counterterrorism effort.

TERRORISM AND RELATED TRAINING FURNISHED TO LOCAL POLICE COMMUNITY AND MILITARY AND FEDERAL AGENCIES FISCAL YEAR (FY 85) AND FISCAL YEAR 1986 (FY 86)

The FBI, during the past two fiscal years has conducted a myriad of terrorism-related training courses and conferences for both the local law enforcement community and representatives of both the military and other federal agencies. These conferences were conducted both at the FBI Academy, and off-site. It is projected that by the end of FY 86, a total of 6319 individuals will have participated in FBI-sponsored training. The following outline details the number of local police and other federal and military employees who received FBI-sponsored training in terrorism and related areas during FY 85 and FY 86 and who are scheduled to receive such training during the remainder of FY 86. Due to the variety of training courses and multiple Bureau units involved in this training, training is listed by sponsoring FBI division and units.

A. TRAINING DIVISION

The FBI Academy's Special Operations and Research Unit (SOARU) provided terrorism-related training to approximately 1239 police officials both at the FBI Academy and regional schools throughout the U.S. Courses of instruction included hostage negotiation and crisis management. An additional 330 military officials and representatives of other federal agencies also received similar type training. It is estimated than an additional 15 law enforcement officials will receive terrorism related training during the remainder of FY 86.

In addition to the above specialized training, it is estimated that 1360 law enforcement officers attending the FBI National Academy Program received training in the area of crisis management with an additional 216 National Academy students successfully completing a three credit (44 hour) course on the Theory and Politics of Terrorism. An additional 50 chief executive officers representing this nation's largest cities received a comprehensive overview of international terrorism while attending the FBI's National Executive Institute (NEI). Material in the NEI was presented by both FBI and external resources.

B. HOSTAGE RESCUE TEAM (HRT)

The FBI's HRT provided counterterrorism training both at the FBI Academy and in the field to approximately 95 police officials and 54 military and other federal agency personnel. It is projected that an additional 131 police officials and 20 military and other federal agency personnel will receive counterterrorism training during the remainder of FY 86.

C. LABORATORY DIVISION

The FBI's Bomb Data Center provided specialized training to approximately 1523 police officials. This training was conducted at the FBI Academy, regional sites, and at the FBI-administered Hazardous Devices School (HDS), Huntsville, Alabama. It included such schools as Bomb Squad Commanders Seminar; Basic HDS; Refresher HDS; Bomb Technicians Seminars; Bomb Investigators Field Schools and a one day Recognition Class. It is also estimated that 438 military and representatives from other federal agencies received this specialized training. It is estimated that 511 police officials and 111 military or other federal agency personnel will receive similar training during the remainder of FY 86.

For further clarification, the following background information is being supplied regarding the nature and scope of the training provided by the Bureau's Bomb Data Center.

The FBI-administered HDS is the only civilian bomb technicians course in the U.S. Its charter is to provide basic and refresher training to public safety officers who have primary render-safe responsibility with respect to improvised explosive devices. State and local public safety agencies have this bomb disposal responsibility. Federal officers who have a legitimate investigative or training interest in bombing matters are trained. This clientele would include the FBI, Bureau of Alcohol, Tobacco and Firearms (BATF), Secret Service and Central Intelligence Agency (CIA). (All BATF bomb technicians receive their training at the Basic HDS). Since 1971, HDS has graduated over 3,000 bomb technicians active at present time. A secondary response capability is provided by approximately 500 U.S. Army Explosive Ordinance Disposal (EOD) personnel within the continental U.S.

In addition to the training by the Bomb Data Center, in FY 85 and FY 86, the Laboratory Division also conducted a series of training courses with direct application to the terrorism field. Approximately 202 police officials received training at the FBI Academy in areas such as Laboratory Examination in Arson Matters; Police Arson School; Police Arson Crime Scene; Bombing Crime Scene and Instrumental Analysis of Explosives. An additional 19 military or representatives from other federal agencies received similar training. It is estimated that an additional 203 police officials will receive this training during the remainder of FY 86.

D. CRIMINAL INVESTIGATIVE DIVISION (CID)

The Terrorism Section, CID, provided training to 23 police officials in a Domestic Terrorism course conducted at the FBI Academy during the period 7/14-19/85. An additional 80 representatives of other federal agencies participated in either the Nuclear Terrorism Conference during the period 12/15-20/85 or the joint FBI/State Department Seminar on Terrorism during the period 10/4-5/84. Both of these working conferences were conducted at the FBI Academy and participants included representatives the U.S. State Department, Central Intelligence Agency, Department of Energy, Department of Defense, and Department of Treasury. It is projected that an additional 19 local law enforcement officials will participate in a Domestic Terrorism Conference at the Academy in FY 86, and an additional 10 representatives from other federal agencies are scheduled to participate in either a Mid-East Terrorism or Basic Terrorism Conference at the FBI Academy in FY 86. An additional 22 representatives from foreign nations participated in a terrorism-related working conference at the FBI Academy during the period 9/17-20/85.

Laundering of Drug Money

You have noted that the Bureau has been actively involved with Federal banking violations and the laundering of drug monies. To what extent? Have there been any arrests of banking officials, and has the Bureau been able to link drug laundering to organized crime?

The FBI is conducting several major money-laundering investigations in which we are using the undercover technique and electronic surveillance against professional money launderers in the employ of drug-trafficking cartels. These investigations have developed incriminating evidence concerning money launderers and their confederates, many of whom are working at the direction of well-organized South American drug distribution networks. In one investigation, we have identified money launderers who represent some of the largest cocaine-trafficking cartels in the world. These multijurisdictional cases require the long-term commitment of manpower and investigative resources from numerous field offices. In one recent case, nine of our field divisions across the country have participated.

In targeting money-laundering conspiracies, the FBI's primary aim is to identify and prosecute significant drug traffickers whose ill-gotten funds are illegally funnelled through U.S. financial institutions, most times destined for foreign bank secrecy jurisdictions. While some members of the American banking community have applied less than desired scrutiny to financial transactions, it cannot be said that there is a widespread complicity of bankers in the laundering of drug funds. Major Colombian and Mexican drug rings and more traditional organized crime groups, such as La Cosa Nostra, are most often entrusting their finances to personal associates on the fringes of the banking industry who are skilled in money laundering.

Some drug investigations, not of the scope or significance of those previously noted, have revealed instances in which banking officials have offered their sevices to undercover agents posing as drug traffickers or to drug distributors being investigated. Although the Crime Control Act of 1984 designated money-laundering violations as predicate offenses of the Racketeer Influenced and Corrupt Organizations statute, thereby placing them within FBI jurisdiction, the FBI is directing its resources only to those cases in which money laundering is demonstrably supportive of expansive drug conspiracies.

To date, FBI drug investigations have disclosed conspiratorial connections between bankers and what have been

considered less prominent drug conspirators. In those situations, cases against banking officials have been referred for further investigation to the Internal Revenue Service (IRS), which shares with the U. S. Customs Service primary enforcement responsibilities with regard to the Bank Secrecy Act. The IRS is expected in the future to arrest some banking officials identified in referral cases.

With regard to the relationship between organized crime and the laundering of drug profits, the FBI has determined that most organized crime groups involved with drug trafficking will, at one time or another, utilize money laundering techniques. These groups amass such vast proceeds from their trafficking activities that they require a mechanism for recycling illegal monies into and/or through legitimate enterprises so as to avoid detection by law enforcement entities.

QUESTION:

Does the FBI monitor para-military training camps run by Jewish extremist groups in the United States?

In your opinion, is legislation necessary to curtail the activities of these camps?

Do they represent a threat to public safety in general, and the safety of Arab Americans in particular?

ANSWER:

The FBI does not have jurisdiction as it relates to the investigation of paramilitary training camps throughout the United States. This jurisdiction lies primarily with the United States Customs Service pursuant to the newly revised International Trafficking in Arms Regulations. However, if investigation determines that a paramilitary camp is being utilized for terrorist purposes, the FBI would obviously have investigative interest and jurisdiction. This is not the current case with any Jewish extremist group.

The International Trafficking in Arms Regulations are recent enactments which the FBI, in conjunction with the Bureau of Alcohol, Tobacco and Firearms, the United States Customs Service, and the Department of Justice, is currently reviewing for their appropriate implementation. Upon completion of such review, or at such time that a determination was made that extremist groups were utilizing these paramilitary camps for terrorist purposes, the FBI would be better equipped to recommend any appropriate legislation in this area.

The FBI has developed no information which indicates that any current paramilitary training camps pose a threat to the well-being of American Arabs in the United States.

QUESTION:

This Subcommittee has received authoritative reports that for nearly ten years U.S. citizens, and permanent resident aliens of

Middle East background have been receiving military and presumably terrorist training abroad. In fact, prior to Israel's invasion of Lebanon in "Operation Peace for Galilee," Lebanon itself was the site for such training. More recently this activity is reportedly being conducted by Iran and Libya in third countries.

Will you comment on the level of this activity as you now see it.

What in your opinion can we expect in the U.S. by way of possible retaliation for our raid on Libya?

Classified answer by FBI

TRAINING IN MISSING CHILDREN CASES

QUESTION:

Does the FBI provide any training to local law enforcement in the use of the NCIC-MPF in missing children cases? If so, what training is provided? Does the FBI provide any training to local law enforcement or medical examiner/coroners in the use of the NCIC-Unidentified Person File. If so, what training is provided?

ANSWER:

The FBI has assisted in training local law enforcement in the usage of both the NCIC Missing Person File (MPF) and the NCIC Unidentified Person File (UPF). The NCIC Advisory Policy Board had recommended in October, 1984, that each state have a designated Control Terminal Agency coordinate training efforts for local agencies within their state. The NCIC Staff has designated two Special Agents and four support employees to provide training assistance to all local, state, and Federal agencies using NCIC. Our training assistance includes national distribution of a specially designed data collection form and standardized formats and codes described in the NCIC Code Manual and NCIC Operating Manual. These publications and manuals are disseminated for training provided to NCIC user agencies. Examples of usage of the NCIC MPF and UPF resulting in positive cross-matching of records have been described in the NCIC Newsletter. Other articles have been published in state newsletters and in the FBI Law Enforcement Bulletin. In addition, during training on the topic of missing and exploited children conducted for local law enforcement at the FBI Academy and at field schools around the country, the Training Division provides basic information on the existence and use of the NCIC-MPF.

The FBI has provided copies of the UPF and MPF data collection forms to medical examiners/coroners to standardize the entry of physical characteristics such as blood type, dental charts, x-ray data, scars, marks, and tattoos. A 30-page feature article was published in the May, 1985, issue of the PATHOLOGIST as a reference for medical examiner/coroners. The article was submitted by Dr. Marcella F. Fierro, Chief Medical Examiner, Richmond, Virginia, who served as a member of a group of medical examiners that provided input to the design of the UPF. Specific training of medical examiners/coroners has been closely coordinated with the individual State Control Terminal Officers. Records are normally entered by the local law enforcement agency which is operational 24 hours daily to respond to possible inquiries and matches on their records.

ACCESS TO THE NCIC WANTED PERSON FILE

QUESTION

Have you yet authorized the National Center for Missing

and Exploited Children access to the NCIC Wanted Person File to the limited extent that the National Center would be able to confirm the existence of an outstanding state felony warrant for parental kidnapping. If not, when do you anticipate reaching a decision on this issue? What are the factors that are under consideration?

ANSWER

The issue of access to the NCIC Wanted Person File has been resolved through liaison with officials of the National Center for Missing and Exploited Children (NCMEC). There have been procedures implemented to verify the existence of any outstanding state felony warrants for parental kidnapping. The Missing Children's Assistance Act (MCAA) did not provide actual public or government agency status to the NCMEC, which operates as a nonprofit corporation funded through the Office of Juvenile Justice and Delinquency Prevention (OJJDP) of the Department of Justice (DOJ). The NCMEC does not have legal authority to function as an investigative agency. The NCMEC is aware of the concerns that assumption of investigative duties is beyond their authority and may be interpreted as an intrusion into or an emcumbrance in duplicating efforts of local law enforcement agencies.

1. Prior to 1985, the FBI in its annual testimony before the House Appropriations Committee presented statistical information in tabular form on the "Total Soviet-Bloc Official Personnel in the United States." Since 1985 this practice has apparently been discontinued, although the information was highly useful to legislators, scholars, and the general public.

   Is there any special reason why this practice was discontinued, and can it be restored?

After a careful review of the statistical information provided in tabular form concerning the Soviet-Bloc Official Personnel in the United States, it was determined to be inappropriate and non-pertinent material for inclusion in the Appropriation Request booklet of the testimony of the Director of the FBI before the House Subcommittee on Appropriations. If this information is viewed as being useful to legislators, scholars, and the general public, it could be included in future Appropriation Requests, upon request.

QUESTION:

Please discuss the current state of the extremist-terrorist group variously known as "The Order" or the "Silent Brotherhood," and

related groups. Are these groups still active? What is their estimated strength in terms of membership and adherents? In what areas of the country have they been active or more successful than in other areas? What is their capacity for and inclination to the use of criminal violence for ideological ends? Do you anticipate the growth of such groups in the future?

ANSWER:

On April 12, 1985, an indictment was returned in Seattle, Washington, charging 23 defendants, who were members of a group known as the "Order" or "Bruders Schweigen," with racketeering and conspiracy to commit racketeering. Eleven of these defendants pled guilty and ten defendants were convicted after a jury trial. They have all been sentenced to varying prison terms.

David Tate, an indicted defendant was convicted of the April 15, 1985, murder of a Missouri State Trooper and the wounding of another. He is currently serving two consecutive life terms in the Missouri State prison.

Richard J. Scutari was arrested on March 19, 1986, in San Antonio, Texas. He recently entered a guilty plea to charges that could result in a maximum sentence of 60 years in prison. He will be sentenced on June 5, 1986.

Robert J. Mathews, founder of the "Order" and an unindicted co-conspirator, was killed in a shootout with the FBI on December 8, 1984, at Whidbey Island, Washington.

In addition, 16 other members of the Aryan Nations, an extreme white supremicist group and/or the "Order" have been arrested on various charges, and sentenced to varying prison terms or otherwise disposed of.

Fourteen members of The Covenant, The Sword, The Arm of the Lord (CSA) have been arrested on various charges. The CSA is an extremist group located on a 224 acre compound in Mountain Home, Arkansas, and had a close affinity with the Aryan Nations and the "Order." Thirteen CSA members have been convicted and sentenced to terms ranging from probation to 20 years in prison.

These arrests and convictions have severely damaged the capability of these groups to perpetrate criminal acts in support of their ideological goals but all of the groups are still active. The actual strength in terms of membership and adherents is not possible to estimate but the number of those who have been shown to participate in violent criminal activity is relatively small.

These groups have been identified as being active in virtually all parts of the United States but the main focus of activity has been the Northwestern part of the country, specifically the states of Idaho and Washington. They have issued a call for their adherents to relocate to the northwest areas of the country.

These groups must still be treated as a danger as they still stockpile weapons and ammunition and continue to identify blacks, other minority races, Jews and the Federal Government as their enemies.

It is not anticipated that these groups will experience any significant growth in the future. They have not experienced any broad-based support and appeal to a small minority of individuals even within the extreme right movement itself.

QUESTION:

Please discuss, in similar terms, the current state of the May 19th Communist Organization and related groups, members of which were involved in the Nyack robbery of 1981.

ANSWER:

The May 19th Communist Organization (M19CO) is an umbrella group for a number of smaller committees, factions, or associations, all of which support or subscribe to the M19CO ideology. The M19CO is an overt Marxist-Leninist group, that advocates the overthrow of the United States Government through armed struggle and the use of violence. Members of the M19CO were participants in the October 20, 1981, Brinks armored car robbery in Nanuet, New York. Seven members are currently incarcerated as a result of this incident or on related charges.

The M19CO continues as a viable entity today with chapters currently operating in New York City and Chicago, Illinois. It is estimated that there are currently 100-150 members of this organization, however active membership would lower this figure considerably. Members of the M19CO have engaged in criminal activity, for the most part, in the northeastern United States. Investigation has determined, however, that individual members have resided in numerous cities throughout the United States, wherein they engaged in various violations of state or Federal law, such as the illegal procurement of weapons and explosives, as well as engaging in the utilization of false identities, all in support of the M19CO's philosophical goals.

Besides the aforementioned participation in the October 1981 Brinks armored car robbery, M19CO members have been involved in numerous incidents in which violence against both law enforcement officials and the general public has erupted. On May 6, 1979, two members were arrested for disrupting the trial of FALN bomber, William Morales, in Queens, New York. On May 9, 1981, six M19CO members were arrested in Brooklyn, New York, during a demonstration which erupted into violence between the group and local citizenry. On September 26, 1981, five M19CO members were arrested at JFK International Airport where these individuals, in protesting the presence of a South African Rugby team, threw acid in the face of a New York City Police officer, causing him serious injury. During the search of a residence of two M19CO members in November 1982, a true carbon copy and an edited xerox copy of an FALN communique which claimed credit for several bombings in New York City were located. Two latent fingerprints found on these documents were determined to be identical to the fingerprints of two M19CO members.

In addition to the above situations, the November 1984 arrest of Timothy Blunk and Susan Rosenberg; and the May 1985 arrests of Marilyn Jean Buck, Linda Sue Evans, Laura J. Whitehorn, Alan Berkman, and Elizabeth Duke resulted in the recovery of large caches of explosives, other bombing paraphernalia, and numerous weapons and rounds of ammunition

The foregoing addresses the proclivity of these M19CO members to involve themselves with the use of violence to communicate their political and social beliefs.

It is difficult to predict the growth of this organization, but investigation has determined that these subversive groups capitalize on any controversial political or social event, utilizing it as a springboard for their recruitment efforts. Experience has shown that it is from the overt support committees established by these organizations, that candidates for their clandestine units are drafted. As such, while new recruits are constantly sought, the revolutionary development of current members is of primary interest to the organization, and of principal concern to law enforcement authorities.

QUESTION:

Please discuss the value of documents and information obtained in the arrest of fugitive Marilyn Jean Buck on May 11, 1985.

ANSWER:

On May 11, 1985, the FBI arrested Bureau fugitive Marilyn Jean Buck and May 19th Communist Organization (M19CO) members Linda Sue Evans and Laura J. Whitehorn. Buck had been sought as an escaped Federal prisoner since 1977 when she failed to return from a furlough from the Federal Correctional Institution at Alderson, West Virginia. She was also wanted in both state and Federal indictments on charges arising from her involvement in the October 20, 1981, Brinks armored truck robbery in Nanuet, New York, during which a Brinks guard and two police officers were killed. Both Evans and Whitehorn are former members of the Weather Underground Organization who had been living under various aliases for the past three years. Additionally, Evans had been sought on a Harboring a Fugitive warrant issued by the District of Connecticut. At the time of their arrests Buck was carrying a loaded .38 caliber revolver while Evans was armed with a fully loaded 9mm Browning automatic pistol.

Buck and Evans were arrested in Dobbs Ferry, New York. Subsequent to their arrest, the Baltimore Office of the FBI located the safehouse where Evans and Buck were residing in the city of Baltimore. Upon announcing their presence and identifying themselves, the Agents were refused entry by a female from inside the apartment. Agents also heard what appeared to be someone destroying papers inside. Force was used to gain entry into the apartment, where Agents were confronted by a female who refused to identify herself. She has since been identified through fingerprints as Laura J. Whitehorn. Upon entry, Whitehorn was observed attempting to dispose of documentary evidence by shredding paper items and dunking them into a pail of water. Whitehorn was taken into custody for harboring a fugitive, and while enroute to the FBI Office, assaulted one of the arresting Agents. She later appeared before a United States Magistrate, and was held without bond on charges of Harboring a Fugitive and Assaulting a Federal Officer.

A search warrant was executed at this apartment during which the following items of interest were located: several weapons, including an Uzi semiautomatic 9mm, a .38 caliber revolver, and a .22 caliber automatic pistol with a silencer; bombing components including numerous Westclox "Scotty" pocket watches, nine volt batteries, soldering tools and black electrical tape; $10,000 in cash; hundreds of pieces of false identification, including blank social security account cards, employee identification, driver's licenses, passports, and library cards; equipment to produce false identification; numerous stolen license plates from various states; numerous police department patches, along with two badges from the New York City Police Department; wigs and theatrical makeup kits; one United States Air Force and partial United States Army military uniform; surveillance logs indicating a "casing" of banks, and corporate and government locations; a police scanner; CB radio communication equipment; intelligence files on police and the FBI to include a list of FBI field offices, and numerous newspaper articles concerning the Bureau; bulletproof vests; terrorist instruction manuals; a copy of the "1983 Summary of Terrorist Incidents," prepared by the Terrorist Research and Analytical Center, Terrorism Section, FBI; and a copy of the "Attorney General Guidelines on the Conduct of Domestic Security/Terrorism Investigations."

Also located in a folder marked "In Progress" were detailed surveillance diagrams and surveillance photographs of several potential bombing targets, including the Old Executive Office Building on Pennsylvania Avenue adjacent to the White House; the Summit Aviation Corporation in Middletown, Delaware; and the United States Naval Academy in Annapolis, Maryland.

On May 23, 1985, a second "safehouse" was discovered abandoned in the city of Baltimore. Leads emanating from the discovery of this safehouse resulted in the identification of a recently rented Hertz truck from a business in Philadelphia, Pennsylvania.

Anticipating the truck's return, Special Agents of the FBI "staked out" the location.

At approximately 6:00 p.m., the truck was returned by M19CO member Elizabeth Ann Duke who had been living in an "underground" mode utilizing aliases for the previous two years. After making the return, Duke was picked up by a vehicle driven by Bureau fugitive Alan Berkman. Both subjects were surveilled to Doylestown, Pennsylvania, where they were subsequently arrested. At the time of their arrests, both Berkman and Duke were armed with handguns. Berkman had been sought as a fugitive since February 1983, when he failed to appear for trial in the Southern District of New York. Berkman has been indicted as an accessory after the fact in the October 20, 1981, Brinks robbery. Both Berkman and Duke were charged in the Eastern District of Pennsylvania with violation of the Federal Firearms and False Identity Statutes. Duke has also been charged with Harboring a Fugitive. Investigation conducted following the arrests of Berkman and Duke resulted in the location of a garage rented by them in December 1984. During the evening of May 24, 1985, a Federal search warrant was executed at this garage located at 1850 South Easton Road, Doylestown, Pennsylvania. Seized during the course of this search were the following items: 100 pounds of Hercules unigel dynamite; 100 feet of detonator cord, in excess of 200 electric blasting caps; an Uzi semi-automatic rifle; a 9mm revolver; substantial amounts of ammunition of various calibers; bulletproof vests; reloading equipment; a laminating machine used to manufacture false identification and hundreds of pieces of false identification.

It should be noted that the Hercules unigel dynamite seized had the same date-plant-shift code as that which was seized subsequent to the arrests of M19CO members Susan Rosenberg and Timothy Blunk in Cherry Hill, New Jersey, on November 29, 1984. In addition, this same dynamite, which has been traced to a theft of explosives at the Bland Construction Company in Austin, Texas, in March 1980, was utilized by the Fuerzas Armadas de Liberacion National Puertorriquena (FALN), when they placed five explosive devices in the downtown civic area of New York City on December 31, 1982.

The value of the information obtained as a result of the aforementioned arrests and searches is quite evident. It is apparent that subsequent to the setbacks incurred by the alliance of radical organizations that was responsible for the October 20, 1981, Brinks armored car robbery, that the aforementioned individuals grouped together in a clandestine unit to continue their program of domestic violence. It is more than coincidental that the arrests of these individuals have brought about an abrupt halt to the bombings of governmental and/or law enforcement related buildings in the Washington, D.C., and New York City areas. Not wishing to compromise this ongoing jury proceeding, it suffices to conclude that these arrests and searches have produced evidence and intelligence of an almost overwhelming nature, that individuals who were associated with the aforementioned safehouse and garage were at least knowledgeable about a bombing conspiracy targeted at governmental, military and/or law enforcement facilities. To the extent that the aforementioned individuals were directly involved in this conspiracy, and/or were participants in any of the actual bombings, is part of the painstaking process that is being addressed at this time. It can be concluded that the interdiction of any bombing or violence planned by this group, i.e., the prevention of loss of life or injury, as well as any intended damage to targeted facilities, has been the largest dividend realized from the arrests and searches mentioned herein.

QUESTION:

Are the whereabouts of fugitive Joanne Chesimard known (i.e., is she believed to be still in hiding in the United States or to have fled abroad?)

ANSWER:

During the investigation of the October 20, 1981, Brinks armored car robbery in Nanuet, New York, it was ascertained that the enterprise that was responsible for this violent action was also responsible for the November 2, 1979, armed jailbreak at the Clinton Correctional Institution in Clinton, New Jersey, which resulted in the escape of Joanne Chesimard. During that investigation a cooperating government witness advised that after her breakout, Chesimard was taken to a Caribbean island by members of this enterprise, with her ultimate destination being the island of Cuba.

Continued investigation tends to support the belief that Chesimard is currently in Cuba.

QUESTION:

In recent months there has been considerable discussion about the vulnerabilities of our national borders (especially the U.S. Mexican borders) to penetration by foreign terrorists.

What is the FBI's assessment of these vulnerabilities?

How can they be addressed?

Does the FBI know of any attempts by foreign terrorists, successful or unsuccessful, to enter the United States illegally by means of the U.S. Mexican border in recent years?

ANSWER:

There can be no question but what the United States-Mexican border is vulnerable to penetration by foreign terrorists. Recent information furnished by the United States Border Patrol indicates that an average of over 2,000 aliens are arrested daily attempting to illegally cross the border in the San Diego, California, area alone. It is estimated that about one of every two aliens attempting illegal entry is caught. This being the case, it seems clear that it would be no great feat for a terrorist to enter the United States clandestinely.

While the openness of the border is primarily the professional concern of the Border Patrol, it also has implications for the FBI in its attempts to discharge our counterterrorism responsibilities. We have attempted to strengthen our working relationships with immigration authorities and in some cases have worked out detailed plans of action designed to deal with specific threats. Additionally, we are working closely with the United States Department of State as well as with foreign agencies in an attempt to deny entry to potential terrorists attempting to enter the United States using documentation.

Despite the vulnerability of the United States-Mexican border to infiltration, the FBI is not aware of any actual attempts by terrorists to enter the United States illegally via this route. There have, however, been reports indicating that such entries have been planned. Intensive investigation has in each instance failed to establish the veracity of the reporting.

8. Did the FBI conduct an investigation aimed at assessing Fedora's bona fides. If so, did the FBI conclude that Fedora was in fact under Soviet control at the time he purported to be disloyal to the Soviets? Was the information provided by Fedora to the FBI concluded to be false, unreliable, or planted deliberately?

Classified answer by FBI

QUESTION:

In our last FBI oversight hearing in April of 1985, we discussed the impact of budget constraints on your Domestic Terrorism Program.

Can you bring us up-to-date on how well you have managed to fund counter-terrorism activities given the Bureau's budgetary limits?

ANSWER:

The Terrorism Program resource enhancement granted by the Congress for Fiscal Year 1986 has been of great assistance, although we continue to expend resources in this program at a greater than funded rate.

From a manpower standpoint, terrorism investigations are quite costly and our successes have been bought, at least to a degree, at the expense of other investigative programs. This situation developed as a result of a concurrence between a heightened need to implement aggressive counterterrorist measures and the onset of concerted attempts at reducing the Federal budget. Since I have designated terrorism as one of our top national priority program areas, resources have been internally reallocated as necessary to meet the challenge. I intend to continue such reallocations until sufficient additional funding is obtained.

How useful have the forfeiture laws been in your fight against organized crime during this past year?

The new forfeiture procedures of the Comprehensive Crime Control Act of 1984 have proven to be a very important weapon against organized crime. Through the forfeiture of assets, individual organized crime figures are deprived of the benefit of their illegal activities. On a broader scale, continued forfeiture actions tend to diminish the economic power of organized crime groups. With regard to drug investigations, a major FBI objective has been the identification of drug traffickers' assets, and thereafter, effective investigation to support forfeiture actions.

How much money and property has been seized, and from what sources?

Following the enactment of the Comprehensive Crime Control Act of 1984, the number and value of seizures made by the FBI increased. For example, the appraised value of drug-related assets which were seized rose from $43.6 million in FY 1984 to $64.4 million in FY 1985. Forfeitures rose from $6.7 million in FY 1984 to $10 million in FY 1985.

A wide variety of property, from a number of different sources, was seized in FY 1985, and there was over $10.8 million in U.S. currency, more than 600 vehicles, 6 aircraft, 11 vehicles, 17 residences, and 6 businesses seized from drug trafficking organizations. Also seized were furs, stocks, bonds, artworks, gold coins, silver bars, electronic equipment, and antiques.

Since some of the seized items have valid liens outstanding, the U.S. Government will realize a somewhat smaller amount from the disposition of these items following forfeiture proceedings.

Have criminals been able to avoid forfeiture by transferring the profits of their crimes to third parties?

There have been some attempts by criminals to avoid forfeiture by transferring the profits of their crimes to third parties. In those identified situations, these efforts have been ineffective. For example, following his conviction of drug trafficking charges, one individual attempted to transfer his residence to his girl friend. This effort was blocked and forfeiture is proceeding.

As the FBI endeavors to seize for forfeiture greater amounts of property, it is anticipated that criminals will attempt to employ this tactic with increasing frequency. The provisions of the Comprehensive Crime Control Act of 1984, which expanded the procedures for "freezing" forfeitable property pending judicial proceedings, will substantially close this loophole.

The Chairman touched on this but I would like to follow up. The Justice Department has proposed to cut its 1987 budget for training of state and local law enforcement officers at the FBI Academy. This would mean that for a single Vermont Police Officer to attend the 11-week course at Quantico, the State would have to pay $2,500. I sincerely doubt that Vermont could continue to send its officers for training at the Academy if this cut is approved.

QUESTION:

Am I right that you agree with me that these FBI training courses are extremely important to maintain the high quality of state and local law enforcement?

ANSWER:

The FBI agrees that the training programs offered at the FBI Academy are extremely important to maintain the high quality of state and local law enforcement. The staff and facilities of the FBI Academy are uniquely qualified to provide police training on a national basis. As the nation's lead investigative agency, the FBI has brought together a faculty of seasoned investigators with extensive academic backgrounds who conduct practical research to develop innovative investigative techniques using the latest theories and practices in the behavioral and forensic sciences and share them with the nation's state and local law enforcement community through Academy training programs, investigative fellowships, publications, and investigative consultations. The FBI Academy is the focal point for law enforcement training for all 50 states, American territories, and for nations from all over the free world. It cannot be duplicated in a single state nor do these agencies have the resources to develop and disseminate new investigative strategies, scientific developments and advancements through research that are present at the FBI Academy. By way of illustration, a typical FBI National Academy session is composed of law enforcement managers and administrators from all 50 states, American territories, and approximately 10 representatives from friendly foreign nations. This program and all other executive and specialized programs provide a unique learning and living environment and an international perspective available nowhere else in the world. The technical courses offered in the Forensic Science Research and Training Center simply do not exist at any other location.

QUESTION:

Have you consulted with state and local law enforcement about the impact this cut will have on their ability to fight crime?

ANSWER:

The impact of requiring state and local law enforcement officers to pay for their own travel, meals and lodging, while attending the FBI Academy, will be significant. The courses offered for local and state law enforcement officers at the FBI Academy, such as the FBI National Academy Program, the National Executive Institute (NEI), the Law Enforcement Executive Development Seminar (LEEDS), and the numerous forensic courses taught in the Forensic Science Research and Training Center are unique in that they cannot be taught through our Field Police Training Program and are not available at any other location. For example, during its 50-year history, there have been 19,583 graduates of the 11-week FBI National Academy Program. 13,297 of these graduates are still actively engaged in law enforcement, and of that number, one of every seven holds the position of executive head of his or her agency. Many of the departments

which now participate in these important programs would simply be excluded if they were forced to pay training costs associated with attendance at the FBI Academy. In particular, if the FBI required participating agencies to pay even travel costs to and from the FBI Academy, it would result in an unequal distribution of training and would inevitably reduce the FBI Academy's General Law Enforcement Training (GLET) Program to that of a regional training academy.

QUESTION:

Isn't one of the principle ways the FBI can have an impact on violent crime, in addition to drug trafficking and organized crime, by training state and local law enforcement in new investigation techniques?

ANSWER:

Yes, one of the primary ways the FBI can have an impact on violent crime, etc., is by training state and local law enforcement in new investigative techniques. Officers trained at the FBI Academy carry the message back to their respective agencies and implement the procedures and techniques taught. The result is an improved state or local department which has benefited from the experience and expertise of others in the law enforcement community.

In addition, FBI Academy training is of vital assistance in maintaining the quality of the cooperative relationship between the FBI and the state and local police. This cooperation is crucial in confronting such problems as narcotics, white collar crimes, and crimes assisted by high technology. Law enforcers at the Federal, state, and local levels are working together as never before and much of this can be traced back to the cooperative spirit fostered at the FBI Academy.

QUESTION:

Have you determined how many fewer state or local law enforcement officers will receive training as a result of this cut? Won't this cut particularly hurt small, rural police forces with limited funds, as opposed to more urban police forces with larger budgets?

ANSWER:

As a result of this cut, the Fiscal Year 1987 (FY '87) budget may have the following effects on state and local law enforcement training at the FBI Academy:

1. Participation in the National Academy will be reduced by 70%.

2. Participation in Forensic Science programs will be reduced by 66%.

3. Participation in other courses, such as NEI, LEEDS, National Law Institute, etc., will be reduced by 58%.

In terms of agency participation, nearly two thirds (65% or 767 out of 1,180) of the agencies currently scheduled to send personnel to the National Academy indicated that they will not be able to participate beginning in FY '87. Expected reduction in attendance is primarily due to budgetary constraints faced by these agencies.

Agencies in Western states will generally see greater reductions in participation in Academy programs than will agencies located closer to the Academy. Seventy three percent (73%) (361 out of 495) of Western officers currently scheduled to attend the National Academy will be unable to attend beginning in FY '87. Sixty seven percent (67%) (164 out of 243) of Western agencies indicated that they will not participate beginning in FY '87.

Smaller agencies will be affected to a greater extent than will larger agencies, with a 75% (330 out of 441) reduction in officers able to attend for agencies with fewer than 30 sworn officers. In addition, 75% (259 out of 346) of the agencies in this size category indicated that they will not participate.

Sheriff's Departments and Municipal Police Departments will be more affected by the new policy than will county and state police. The FY '87 budget will see a 71% (312 out of 438) reduction in attendance from Sheriff's Departments, as well as a 71% (1,201 out of 1,700) reduction in attendance from Municipal Police agencies. Agency participation will be reduced by 67% (155 out of 231 agencies) for Sheriff's Departments and 66% (562 out of 848 agencies) for Municipal Police.

The information above is based on a survey of 1,180 state and local law enforcement agencies representing 2,491 officers currently on the National Academy waiting list. The respondents to the survey were mostly very high ranking officials within the various agencies and there was representation from a wide range of agency sizes in the survey.

In addition to the above survey, a separate component study with the ongoing Nationwide Law Enforcement Training Needs Assessment research project disclosed the following information concerning annual agency training budgets:

(a) Agency budgets range from a low of $0 to a high of $7 million, with $2,500 being the median value;

(b) Roughly half of the 14,000 agencies reporting to the Uniform Crime Reporting Section do not have budgets sufficient to fund a single National Academy participant in any one year;

(c) Sheriff's agencies would be the more seriously affected since their median training budget is $1,800 per year.

In April 1985, I asked you about the Bureau's assistance to rural law enforcement agencies, particularly as provided for in the Rural Crime Amendment which I sponsored to the Crime Control Act of 1984.

QUESTION:

What assistance has the FBI given to rural law enforcement agencies in crime prevention and in combating violent and juvenile crime during the past year, and how has this compared to prior years?

ANSWER:

Under provisions of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, the Crime Control Act of 1973, and Comprehensive Crime Control Act of 1984, the FBI provides training for state and local criminal justice personnel. The training programs are provided, upon request, to jurisdictions of rural, suburban, or urban populations, and use regional and state training facilities.

During Fiscal Year 1985, FBI instructors participated in 5,629 schools in which 65,888 hours of instruction were provided to 199,326 criminal justice personnel. Seventy three percent (73%) of the schools and 80% of the hours of instruction pertained to topics which would assist law enforcement personnel in combating violent crime.

FBI Special Agents in Charge (SACs) provide assistance within their field office territory by participating with chiefs of police, sheriffs, and training officials who serve on advisory boards and councils which address training problems and needs. In addition, the Police Training Coordinator and Special Agent instructors assigned to each FBI office provide training, materials, and consultation to state and local law enforcement. Training in rural areas is augmented by approximately 700 FBI

instructors who are assigned to Resident Agency offices which serve many rural and sparsely settled areas.

A significant contribution to law enforcement training is provided at the FBI Academy. During Fiscal Year 1985, the General Law Enforcement Training Program (GLET) program trained 3,354 students. One thousand (1,000) of these attended the FBI National Academy which is designed for mid-level and senior law enforcement administrators. In Fiscal Year 1985, 14.1% of the National Academy students came from departments with 25 or fewer personnel.

As part of the National Academy Program, a Crime Prevention course was redesigned in December 1984, after an absence of several years, and instituted in the fall of 1985. This three-hour course deals with crime prevention issues particularly appropriate for suburban and rural areas and is violent crime oriented. In addition to this course offered at the Academy, numerous crime prevention presentations are being made throughout the country emphasizing violent crime investigation. Working with the International Society of Crime Prevention Practitioners, the FBI Academy has also initiated a research project for the development of minimum standards in crime prevention training. Crime prevention inquiries are regularly referred to the National Rural Crime Prevention Center, Ohio State University, Columbus, Ohio.

A Youth Crime seminar at the undergraduate level is also offered in the National Academy curriculum. This course on juvenile delinquency was reinstated in the National Academy Program in April 1985.

The National Center for the Analysis of Violent Crime (NCAVC), located at the FBI Academy, is a law enforcement oriented behavioral science and data processing center designed to consolidate research, training, and operational support for any law enforcement agency confronted with unusual, bizarre, and/or particularly vicious or repetitive violent crime. This operational assistance includes the development of criminal profiles and the services of the Violent Criminal Apprehension Program (VICAP) computer data base. It is expected these resources will be particularly valuable to rural law enforcement departments which do not have specialists to handle these types of cases.

The FBI recognizes that rural law enforcement agencies, particularly very small departments in sparsely populated areas, often lack the necessary resources to effectively handle all types of crime committed within their jurisdictions. Subject to personnel and budgetary constraints, both FBI field-based and Headquarters instructors and specialists will continue to actively support the requests from these departments for FBI assistance.

QUESTION:

The National Association of Counties strongly supported the Rural Crime Amendment. Will you work with them and my office to develop training programs especially geared to rural law enforcement?

ANSWER:

The FBI is already working very closely with the National Association of Counties (NACo) on a project to improve the quality of death investigation in this country. Meetings on death investigation have been held at the FBI Academy during the past two years with representatives from NACo, the National Association of Medical Examiners, and the International Association of Coroners and Medical Examiners. A training seminar was held in death investigation for coroners and medical examiners where current topics and issues in death investigation were presented and discussed.

Recently, the NACo sponsored a national conference on death investigation at Racine, Wisconsin. The FBI sent representatives to this conference and participated in making

presentations. This conference represented the first attempt to bring all individuals involved in death investigations together. Attendees included judges, prosecuting attorneys, political leaders from all levels of government, and other members of the criminal justice community. A follow-up meeting to this conference was held by the National Association of Counties at their headquarters in Washington, D.C.

The FBI has supported the efforts of the NACo and, in the future, intends to work with this organization and other organizations interested in crime control.

There have been an increasing number of alarming news reports about Asian crime gangs in the United States. In October of last year, the President's Commission said that Asian gangs may become fixtures in this country just like the Mafia.

These groups have been linked to gambling, extortion, heroin trafficking, prostitution, and murder for hire in Los Angeles, Denver, Chicago, New York and other cities.

How many of these gangs are now operating in the United States?

The number of Asian gangs operating in the United States that are of investigative interest to the FBI is 14.

How many members do these gangs have?

The membership in the gang varies, however, most have an average of 30 members.

Where do they get their weapons?

Asian criminals obtain weapons through underworld channels, burglaries and legitimate purchases made by individuals without criminal records who collaborate with gang members to furnish weapons.

What success have law enforcement agencies had in combatting them?

Law enforcement agencies have registered significant success in addressing this emerging crime problem in New York where the Ghost Shadows Gang and United Bamboo Gangs are undergoing prosecution. Investigations into other Asian criminal groups are ongoing in Los Angeles, San Francisco, Honolulu, Washington D.C., New York and Boston.

What particular problems do they present for law enforcement?

The Asian gangs are highly violent, well-armed and predisposed to open fire on law enforcement personnel in arrest situations. In addition to the high risk arrest problem, investigations are difficult to pursue due to the lack of numbers of native-speaking law enforcement personnel.

Who are their principal victims?

The Asian criminal activities center on gambling, loansharking, extortion, narcotics trafficking and prostitution. The ethnic community provides the matrix in which these criminal groups thrive. Additionally, the Asian groups prey on individuals in the community who are vulnerable to extortion demands due to their involvement in unlawful activities or business practice, such as employing illegal aliens.

Is Asian organized crime also involved in legitimate business?

The involvement of Asian organized crime in legitimate business is an area which is of current investigative interest to

the FBI. There are indications of Asian criminal groups in San Francisco, Los Angeles and New York, using restaurants, gambling clubs and entertainment agencies to facilitate the pursuit of illegitimate activities.

According to the President's Commission on Organized Crime, Asian crime gangs are well organized and active throughout the United States.

Former Attorney General Smith testified in 1984 that what was needed was a base of information with which law enforcement can combat Asian organized crime.

Has such a base of information been developed, and if so, what does it consist of?

In 1980, the FBI's Organized Crime Information System (OCIS) became operational. This system applies computer technology to the problem of storing, retrieving and analyzing the data compiled in the course of conducting investigations into organized crime activities.

In June 1983, the FBI began a formal study of Asian organized crime. Since that time the flow of information into the OCIS system has increased steadily. The Asian groups have been incorporated into the data base as investigations are instituted and successfully completed through prosecution.

OCIS consists of the following major file components: Personal date; Organizational data; Union data; Family member data; Gang/Cartel data; Gang/Cartel member data. Additionally the system provides the FBI with the capability of depicting connections between diverse elements within the data base to illustrate links which may indicate covert criminal activities or relationships.

According to the October 1984 Report of the President's Commission on Organized Crime, it was estimated that there were more than 100 members of the Japanese Yakuza gang operating in the U. S.

How does that figure compare to the number who are operating here today?

An estimate of the number of known Yakuza members operating in the United States would be highly speculative at this time. The FBI has a number of ongoing investigations which indicate possible Yakuza criminal activities in the Pacific Trust Territories, Guam, Honolulu, Hawaii, California and New York. The FBI is at the initial stages of defining and addressing this crime problem, in accordance with our jurisdictional authority.

The Japanese police estimate the Yakuza are making $5 billion annually in Japan. How much are they making here?

The determination of the amount of money that the Yakuza may be making here as a result of criminal activity is unknown at this time. As investigations progress, the FBI will be better able to determine the economic impact of Japanese organized crime activity on the American economy.

How much cooperation are we getting from Japanese law enforcement in combatting this problem?

Japanese law enforcement is responsive to requests for information and/or investigative assistance. Their posture has been one of reaction to outside stimulus rather than adopting a proactive approach to sharing criminal intelligence information.

According to a January 29, 1986 Washington Times report, the Tokyo police have complained that the lack of any centralized intelligence gathering agency in the U.S., and the

failure of U.S. law enforcement agencies to share information among themselves, have hampered cooperation in combatting the Yakuza.

How do you respond to these complaints?

Effective international law enforcement efforts are built upon understanding, trust, and cooperation. Law enforcement officials from different countries develop their individual perceptions concerning U.S. law enforcement based upon totally different ethnic, historical, traditional and legal backgrounds. Sometimes misunderstandings arise based upon these perceptions. This is particularly true in countries where all policing is done by a national police force, in contrast to the U.S. system of local, state, and Federal agencies.

To increase understanding of each country's respective system of law enforcement, conferences and training sessions are invaluable. The fostering of mutual understanding was one of the purposes for the U.S. - Japan conference held in Tokyo during December, 1985.

What can we do to improve our cooperation with Japanese Law Enforcement in combatting the Yakuza in the U.S.?

During the 4th Biannual U.S. - Japan conference on organized crime held in Tokyo, December 2-4, 1985, the FBI proposed to the National Police that a joint U.S./Japan working group on organized crime and narcotics trafficking be formed in order to provide a mechanism to enhance the timely exchange of criminal intelligence information between our countries. The implementation of this concept is being pursued with a follow-up meeting to be scheduled in the near future.

According to a February 15, 1986 story by Jack Anderson in the Washington Post, a former South Vietnamese Premier Nguyen Cao Ky may be involved with Vietnamese crime gangs in the U.S.

Where are Vietnamese gangs operating in the U.S.?

The below listed Vietnamese gangs are reportedly operating in the following locations in the U.S.

1. Cac Van Tran also known as "The Frogman"; Los Angeles, California.

2. United Front for the Liberation of Vietnam; Orange County, California.

3. Ghost Shadows Gang, Vietnamese - Chinese element; New York, New York.

4. Pink Knights; San Francisco and Los Angeles, California.

5. Thai Dinh Nguyen; New Orleans, Louisiana.

6. Ming Thong Nguyen; Los Angeles, California.

7. Nillo Van Nguyen; New Orleans, Louisiana.

8. Sangs; Arlington County, Virginia.

9. Luns; Costa Mesa, California.

10. The Association; Los Angeles, California.

How many members do these gangs have nationwide?

Law enforcement officials estimate that the numbers of individuals in Vietnamese gangs total approximately 200 persons nationwide.

What evidence is there that Mr. Ky is involved, and what is the FBI doing to investigate these reports?

The FBI thoroughly investigates potential violations of the laws of the United States within its jurisdiction. Evidence

developed as a result of these investigations is then presented to the United States Attorney for a prosecutive opinion. Inasmuch as there are ongoing investigations concerning Vietnamese crime gangs in the United States, it would be inappropriate at this time to comment on evidence linking particular individuals to criminal activity.

The Jack Anderson story also described secret training camps where gang members learn to use weapons and how to extort money and commit other crimes.

Where are these camps and how active are they?

The FBI has no information relating to the exact location of "secret" training camps, however there are indications of collaboration between the Anti-Castro Cuban group "Alpha Sixty-Six" and the "Associates" in the Southeastern United States. The FBI is actively pursuing a number of Racketeer Influenced and Corrupt Organization investigations which relate to the Vietnamese organized crime problem.

Question:

Former Attorney General William French Smith testified before the President's Commission on Organized Crime (PCOC) in 1984 that the organized crime leadership in the United States was being "decimated," and that we were at a "turning point in the battle against organized crime in the U. S."

Is this true? Is organized crime in the U. S. being decimated?

Response:

Former Attorney General William French Smith provided a statement before the PCOC on 10/23/84 in a hearing addressing organized crime (OC) of Asian origin. In his prepared statement addressing the evolution of the strategy to address the Asian OC problem within the United States he identified the significant successes of the Federal Government against the traditional structured OC group identified as the La Cosa Nostra (LCN). With regard to this group, he noted that the leadership of the LCN in New Orleans, Detroit, Milwaukee, Denver, Philadelphia, Los Angeles, and Cleveland have been largely immobilized by heavy prison sentences. He noted that this has decimated the hierarchy of an organized crime group which has been entrenched in our major cities for many decades. Mr. Smith then addressed the development of a comprehensive response by the Federal Government to the international dimensions of OC directly related to trafficking in narcotics. This area of concern has progressed through revised investigative strategies and increased international cooperation and, although initial successes have been demonstrated, the accumulation of intelligence and the penetration of the organizations has not reached the level of impact as achieved against the LCN. He then stressed that the learning processes experienced by the Federal Government will be effectively used to counter the new crime cartels emerging in the Far East and spreading to the West.

We are definitely at a "turning point in the battle against the LCN in the United States." As you are probably aware, the U. S. Government has only made a concerted effort against the LCN in the past 20 years, or more precisely, since the nature, structure, and scope of this menace was described by an LCN member (Joseph Valachi) in his testimony before the McClellan Committee in 1963. During the late 1960s and 1970s, the prosecutive approach utilized by the Government was to identify and secure successful prosecution against all identified LCN members and associates for varied criminal violations. As the intelligence base increased, more sophisticated investigative techniques, to include electronic surveillance and undercover operations, were employed which focused on the hierarchy of the various families who provide the national leadership of this

criminal enterprise. In New York alone, since July 1984, 410 indictments and 191 felony convictions were achieved and 148 cooperating witnesses were developed who could provide witness testimony to the infrastructure of this criminal enterprise. Civil sanctions have been combined with these completed and pending criminal prosecutions so as not only to disrupt the leadership of the LCN, but to seize extensive financial assets accumulated as a result of their criminal activities. The LCN can no longer replace incarcerated leaders and members and continue business as usual since their economic foothold in American business, industry, and labor is being disrupted.

The most significant event in the coordinated attack on the LCN was the historic indictment of the "LCN Commission," the ruling body of this national criminal enterprise. This indictment returned in the Southern District of New York in February 1985 and superseded in June 1985, charged the bosses of the five New York LCN Families, the Colombo, Genovese, Gambino, Bonanno, and Luchese Families, as well as two underbosses and others with participating in the activities of the "Commission" which engaged in extortion, labor racketeering, extortionate credit transactions, and murders.

Question:

According to a recent report by the President's Commission on Organized Crime, organized crime's influence over management and labor in certain industries is pervasive. The Commission concluded that the Administration lacks an effective strategy for combating this problem.

Do you agree with the Commission's conclusions, and if so, how do you explain the Administration's failure to deal with this problem?

What responsibility does the FBI bear for this failure, and what steps do you plan to take to deal with it?

Answer:

The FBI does not view the focus of Federal law enforcement efforts on organized criminal activity as a failure. Rather, we view the historical approach to La Cosa Nostra (LCN) investigations as having evolved to a sophisticated level capable of combating the multi-industry approach of most LCN families. The evolution of our investigative focus has resulted in the information which forms the foundation for the conclusion and recommendations of the Commission. Our investigative efforts have determined that LCN members and associates are engaged in complex criminal activities which include labor-management racketeering. Our Organized Crime Program (OCP) is structured to focus on the criminal organization or enterprise and not exclusively on the criminal activity. While a viable approach to eradicate organized crime activities should focus in part on readily identifiable criminal activities and/or the corruption of specific legitimate industries, we must focus on the criminal enterprise that is the root of the problem. For that reason, we have designated the LCN as the top priority in our OCP.

The FBI is the primary agency of the Department of Justice which is mandated by Congress to investigate organized crime. Our success in the field of organized crime labor-management racketeering has been demonstrated by the voluminous information which the Commission drew upon to determine their findings. Our investigations have identified organized crime influence either regionally or nationally in the construction, air freight, waste carting, trucking, maritime and legalized gambling industries. Other investigations are underway in similarly affected industries. Successful criminal prosecutions have significantly disrupted criminal enterprises formed by organized crime figures, labor union officials, and businessmen. We have enjoyed an excellent relationship with many other Federal, state, and local law enforcement agencies in labor

racketeering and other organized crime investigations. Many successful investigations are directly attributable to the coordination established between cooperating agencies. We support any efforts to increase the coordination between various Federal agencies. The specialized expertise of agencies such as the Internal Revenue Service, the Securities and Exchange Commission, the National Labor Relations Board, and the Department of Labor can effectively support and supplement our overall effort to combat organized crime.

Has the total flow of illegal drugs into the country increased or decreased in the past year?

The Narcotics Intelligence Estimate, which is produced annually by the National Narcotics Intelligence Consumers Committee and is the most comprehensive assessment prepared for the Federal Government on the worldwide illicit drug situation, will not be completed for 1985 until September 1986. However, I can provide official consumption data, by drug, for 1984.

Cocaine: 55 - 76 metric tons were consumed. Cocaine use remained widespread. Overall consumption rose over 11 percent over 1983. Preliminary and unofficial data for 1985 suggests that there was no remarkable increase or decrease in cocaine consumption.

Heroin: 5.97 metric tons were consumed. This was a 1 percent decrease from 1983. The user population continues to be composed of long-term users or recidivists. Again, preliminary data for 1985 does not suggest any up or down change in consumption in 1985.

Marijuana: 7,800 - 9,200 metric tons were consumed. This reflects a 3 percent decrease for 1983 and is primarily the result of the declining use by young people (age 25 and under). Preliminary data for 1985 indicates there may have been a small decrease in marijuana availability.

Dangerous Drugs: 3.06 billion dosage units were consumed. The consumption of all illicitly used dangerous drugs increased an estimated 15 percent, mainly reflecting increased use of methamphetamine and phencyclidine (PCP). Preliminary data for 1985 suggests the availability of dangerous drugs was similar in 1985.

Where are most of these illegal drugs coming from?

According to the 1984 Narcotics Intelligence Estimate, the origin of drugs consumed in the United States is as follows:

Cocaine:
- 75 percent from Colombia
- 15 percent from Bolivia
- 5 percent from Peru
- 5 percent from other sources (Argentina, Brazil, Chile)

Heroin:
- 51 percent from Southwest Asia (Afghanistan/Pakistan border)
- 17 percent from Southeast Asia
- 32 percent from Mexico

Marijuana:
- 42 percent from Colombia
- 20 percent from Mexico
- 14 percent from Jamaica
- 8 percent from Belize
- 12 percent from domestic cultivation
- 4 percent from other sources

Dangerous Drugs: No figures are available, but the preponderance of the trafficking is from domestic sources.

How many dollars worth of illegal drugs were brought into the United States last year?

Since production and distribution of illicit drugs are, by definition, illegal, there is little reliable data upon which to base estimates of the quantities of drugs involved. Most of those statistics which are available tend to reflect the results of law enforcement activity (e.g. the numbers of individuals arrested, quantities of drugs and assets seized, and conveyances from which seizures were made), they do not reflect the quantities of drugs which were not interdicted and consequently assumed to enter user population. It would, therefore, be extremely difficult to place a dollar amount on the illegal drugs brought into the United States.

What is the current street value of heroin and cocaine, and has the price gone up or down since this time last year?

The street value of heroin and cocaine varies somewhat throughout the United States. For example, cocaine can be obtained for less in Miami, where there is greater availability as compared to Minneapolis, Minnesota, where it is not as abundant. The same is true for heroin. The above notwithstanding, the following are national average street value prices for heroin and cocaine.

Heroin:

1985 - $115-130 per gram
February 1986 - $120-130 per gram

Cocaine:

During 1985-1986, cocaine has remained stable at about $100 per gram

If it has gone down, doesn't that mean that more drugs are coming into this country than last year?

The drug market is sensitive to the pressures of supply and demand, and a drop or an increase in the price of a drug can be interpreted to reflect the availability or scarcity of that drug.

The Narcotics Intelligence Estimate for 1984 reflects that there was a decrease in the consumption of marijuana and heroin, as compared to 1983. Preliminary and unofficial drug estimates for 1985 suggest there will not be a significant change for these drugs in 1985. On the other hand, cocaine consumption increased in 1984 by 11 percent over 1983 and availability remains high today.

QUESTION:

I am very interested in the progress the FBI is making in Voice Privacy. Can you give me an up-date on this?

ANSWER:

In the past year, the thrust of the Digital Voice Privacy (DVP) Program has evolved form an FBI-wide system to an integrated system supporting the FBI, DEA, and the U.S. Marshal's Service (USMS). During August 1985, the Attorney General directed the FBI to take the lead in and control the designing, developing and implementing of a single, integrated, VHF, DVP radio system. The selection of the FBI for assuming the lead role was based on the fact that the FBI now successfully manages a majority of the mobile radios, repeaters, and base stations possessed by the three agencies combined and has the most experience in designing and implementing a DVP radio system.

Significant advantages in the areas of operational efficiency and cost containment will result form this multiagency DVP system. Implementation of the system will insure that a uniform, consistent approach will be applied to planning, development, acquisition, and maintenance which improves efficiency and

effectiveness across all three agencies and facilitates joint operations. The DEA and USMS will benefit from the FBI's extensive DVP system with its wide geographic coverage. Cost benefits will be realized through elimination of overlapping network backbone circuits and attendant costs. Moreover, consolidated procurements will lead to lower per-unit costs for equipment.

To further this integrated effort, the FBI has contracted the Institute for Defense Analyses (IDA) to study the DVP requirements of the three agencies and the cost impact of an integrated system. A more comprehensive study will be undertaken to accomplish detailed engineering designs to insure the needs of all three agencies are met.

The targets of the FBI's criminal investigations are becoming more sophisticated in the types of equipment they possess. FBI radio frequencies have been monitored by the general public, the news media, and criminal elements. The DVP radio system is of major importance to the FBI so that it may fulfill its mission and prevent the acquisition of investigative information by unauthorized parties.

Currently, the FBI has six field offices with complete voice privacy radio systems. These six offices contain approximately 3/8ths of the FBI's investigative forces. Through 1986, equipment will have been procured for 36 field offices, leaving equipment for 23 field offices and the FBI Academy at Quantico, Virginia, to be acquired in 1987 and beyond. At the present time installation efforts are underway in seven offices and all mobile radios have been furnished to an additional 11 offices giving them limited tactical capabilities with some privacy equipment.

The DVP Program is successful and affording our tactical communications the required protection.

QUESTION:

Seventeen people, including a retired Israeli general, were indicted in New York last week on Federal charges of conspiring to sell Iran more than $2 billion worth of American weapons -- including missiles, helicopters, tanks, and fighter jets. The indictment lists five separate conspiracies to obtain U.S. arms from other countries and sell them to Iran in violation of the Export Control Act.

Which countries were these U.S. weapons to be purchased from?

Had those countries already agreed to sell these weapons to the defendants by the time these arrests were made?

Did those countries know that these weapons were intended to be sold to Iran?

Were any government officials from those countries involved in this scheme?

Is there any credible evidence that the Israeli government was aware of this scheme?

Which Iranian officials were involved?

Is it true, as an April 23, 1986 Washington Post article states, that if convicted each of these defendants can only be sentenced to up to five years and a $250,000 fine?

Is the only crime that these defendants can be charged with violating the Export Control Act?

ANSWER:

This case was investigated entirely by the U.S. Customs Service with no FBI involvement. Details of the investigation would, therefore, have to be furnished by the Customs Service. In an

attempt to be responsive to this question, however, contact has been made with the Customs Service and the following generalized information was made available:

The case was a controlled "sting" operation designed to surface technology transfer conspiracies. At this point it is not clear whether the defendants were actually prepared to buy and sell weapons or were conspirators in a "scam" operation. The U.S. Government controlled informant in this matter mentioned to the defendants as possible source points for weapons, Israel, West Germany, and various Latin American countries, but there is no indication that any of these countries was actually involved.

The charges recently filed involve violations of the Export Control Act as well as Fraud by Wire and Mail Fraud. Conviction on each count of the above-mentioned charges carries a maximum penality of five years conviction and/or $250,000 fine.

The FBI is in possession of no additional information on this case.

2. Question: A recent Washington Post article described a two month roundup of more than 3500 fugitives from justice in the south-western states. Among those arrested were 45 people accused of murder, 712 wanted in robberies or burglaries, 82 wanted in rapes and 734 charged in drug offenses.

If 3500 fugitives were caught in four southwestern states in just 60 days, can you estimate how many fugitives are still hiding out in that region?

How many people accused of murder, robbery and rape are at large nationwide?

Response: The fugitive apprehension operation described in the Washington Post article was conducted by the United States Marshals Service (USMS). The FBI does not know the number of fugitives remaining at large in those states involved in that fugitive operation.

The latest National Crime Information Center (NCIC) wanted person statistics available, as of April 4, 1986, indicate the following are being sought for felony crimes nationwide:

Homicide Fugitives -	4,222
Robbery Fugitives -	8,170
Sexual Assault Fugitives -	2,559
Rape With A Gun -	60
Rape With Another Weapon -	115
Rape - Strongarm -	504
Statutory Rape (no force) -	67

QUESTION:

The recent wave of terrorist attacks at international airports has caused many Americans to question the effectiveness of airport security systems in this country and abroad. The new plastic handguns are a case in point.

Do the scanners used by airports here and abroad adequately protect us against these weapons?

If not, does equipment exist that is capable of detecting these guns, and are airports taking steps to install them?

Does the FBI consult with either the FAA or State Department to maintain an up-to-date record of the security systems at airports overseas that American travelers can use in planning their overseas travel?

ANSWER

Security systems at airports are primarily the concern of the Federal Aviation Administration (FAA). Contacts with that agency have determined that the plastic handgun which has been most widely discussed in connection with airport security is the Glock 17. While this pistol contains a considerable amount of plastic, it is still 83 percent metal by weight. Tests have shown that it is detectable by x-ray and walk-through detector equipment currently in use. In anticipation that new weapons less detectable may be produced in the future, FAA has accelerated its research into developing more sophisticated scanning devices.

The FBI has ongoing consultations with the FAA, State Department, and the airlines regarding security systems at airports in the United States and overseas. A record of security systems at overseas airports is maintained by the FAA, but not by the FBI.

U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

September 5, 1986

Honorable Jeremiah Denton
Chairman, Subcommittee on
Security and Terrorism
Senate Judiciary Committee
Washington, D. C.

Dear Mr. Chairman:

Enclosed please find responses to questions submitted by Senator Hatch for the record of my April 30, 1986 appearance before the Subcommittee. Copies of these responses are being furnished to Senator Hatch.

Sincerely yours,

William H. Webster
Director

Enclosure

* * *

QUESTION:

What effect upon your counter-terrorism programs and activities, in general, will the reduction of your budget by $52.5 million have, and what future difficulties may arise from the reduction in funds that have not troubled the Agency so far?

ANSWER:

The mandated reduction of approximately $52.5 million from the FBI's 1986 budget will seriously impact upon the organization's ability to execute its assigned tasks. As a result of this reduction, the FBI will lose approximately 450 workyears in 1986, a savings of approximately $9.1 million.

Multi-year phased initiatives, such as the implementation of the Field Office Information Management System (FOIMS), will be seriously impacted upon. Curtailing FOIMS implementation in 1986 will postpone the productivity improvements associated with this initiative. This action will result in savings of approximately $21 million.

Funding for research and development and equipment for the FBI's foreign counterintelligence initiatives will be reduced, thus restricting development of technical attack techniques.

The sequestration for the Terrorism Programs is $373,000 from a base level of $49,264,000 in 1986, or 0.8 percent of the total for the programs. This translates into a loss of seven agent and nine support workyears.

The FBI will do its best to simultaneously cope with the reductions and execute its assigned responsibilities.

The FBI's 1987 budget incorporates the anticipated effects of Gramm-Rudman-Hollings in 1987 and the Administration's programmatic priorities for that year.

QUESTION:

I commend you, Judge Webster, on your impressive success in holding down the number of domestic terrorist incidents in the United States. However, given the very low number of terrorist incidents during 1985, I am curious as to your definition of domestic terrorism. In other words, how do you define terrorism, as it is or might be carried out in the United States, and does that definition affect in any way the numbers of terrorist incidents that the Bureau has reported during the past year?

ANSWER:

The FBI defines terrorism as the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives. This definition is broad enough to enable the FBI to include acts of violence perpetrated by terrorist groups in the United States in the terrorist statistics.

The FBI compiles statistics largely within the context of its investigative mission and capabilities. While not denying there is an element of subjectivity in the process, the FBI has striven to be consistent over the years.

A variety of factors enter into the decision as to whether to categorize an act as terrorist or not. Among other things, we seek to determine whether the act is part of a continuing pattern of violence being perpetrated by an organized group or enterprise. If it is, and the other elements of our definition are satisfied, then we categorize it as a terrorist incident.

The FBI's primary purpose in compiling terrorist incident statistics is to give United States Government policy makers and the general public a meaningful picture of the scope and the nature of the terrorism problem. In order not to overstate the magnitude of this problem, we examine each criminal act on a case-by-case basis to determine whether it should be placed in the terrorist incident category. Occasionally, acts which appear to meet the criteria set forth in our definition are not classified as terrorist, since they do not appear to be the work of actual terrorists. What we attempt to do is select out those acts which would be classified as harassment or vandalism, and/or are not part of an organized criminal conspiracy.

QUESTION:

I have noticed that over the last half-dozen years or so, the FBI figures on the use of bombings or explosive devices vary considerably from the figures published by the Bureau of Alcohol, Tobacco, and Firearms (ATF). The FBI figures seem to be much lower than those of the ATF. What is your explanation for this? How does this relate to your assessment of domestic terrorist incidents? And how do you distinguish, for example, between an ordinary criminal bombing and an extraordinary terrorist bombing?

ANSWER:

The FBI collects bombing and explosive device data from contributing law enforcement agencies in order to provide a gauge or barometer of that activity in any given locale or region of the country. The accuracy of these statistics depends primarily on the voluntary adherence of the individual contributors to established standards of reporting. Additionally, the FBI

defines a bombing as an explosive device that has detonated; the ATF does not. Therefore, the ATF figures include data on recovered devices, hoax devices, threats on treasury facilities, and stolen explosives, which the FBI does not.

The bombing and explosive device figures do not in and of themselves relate to our assessment of terrorism. Rather, the major portion of the reported bombing and explosive devices have been found to be independent actions by individuals whose motives vary. This type of activity does not cross the threshold under our guidelines that would label these acts as "terrorism." A variety of factors enter into the decision as to whether to categorize an act as terrorist or not. Among other things, we seek to determine whether the act is part of a continuing pattern of violence being perpetrated by an organized group or enterprise. If it is, and the other elements of our definition are satisfied, then we categorize it as a terrorist incident. Occasionally, acts which appear to meet the criteria set forth in our definitions are not classified as terrorists, since they do not appear to be the work of actual terrorists. What we attempt to do is to differentiate between criminal bombings in the traditional sense and those that we label "terrorist" bombings.

QUESTION:

I have been concerned for some time, as you may know, about the potential--or the actual--danger, posed by Central American terrorists who have penetrated our borders and have entered the United States illegally. Given the colossal number of illegal aliens who cross our southern borders (last year 1.3 million were apprehended--a 40% increase over 1984), there are obviously some illegal aliens who are members of terrorist groups or potential accomplices of terrorist organizations. In a single week in January, 1986, a total of 15,023 illegal immigrants were apprehended by the U.S. Border Patrol. These numbers included aliens from Argentina, Bolivia, El Salvador, Brazil, Colombia, Guatemala, Venezuela, Honduras, Costa Rica, Chile, Peru, the Philippines, India, Yugoslavia, Belize, Ecuador, Jordan, and Nicaragua. The possibility of terrorist infiltration, I would think, is enormous. What are your thoughts on this and what can you tell us?

ANSWER:

There can be no question that United States borders are vulnerable to penetration by foreign terrorists. Recent information furnished by the United States Border Patrol indicates that an average of over 2,000 aliens are arrested daily attempting to illegally cross the border in the San Diego, California, area alone. It is estimated that about one of every two aliens attempting illegal entry is caught. This being the case, it seems clear that it would be no great feat for a terrorist to enter the United States clandestinely.

While the openness of the borders is primarily the professional concern of the Border Patrol, it also has implications for the FBI in our attempts to discharge our counterterrorism responsibilities. We have attempted to strengthen our working relationships with immigration authorities and in some cases have worked out detailed plans of action designed to deal with specific threats. Additionally, we are working closely with the United States Department of State as well as with foreign agencies in an attempt to deny entry to potential terrorists attempting to enter the United States using documentation.

Despite the vulnerability of the United States borders to infiltration, the FBI is not aware of any actual attempts by terrorists to enter the United States illegally via these routes. There have, however, been reports indicating that such entries have been planned. Intensive investigation has in each instance failed to establish the veracity of the reporting.

QUESTION:

The FBI has done a fine job, Mr. Director, in alerting

us to the dangers of narco-terrorism, a comparatively new phenomenon and a particularly dangerous one. It is dangerous because it combines drug criminality with terror-violence and has strong links with terrorist guerrillas in both Central and South America. Moreover, our diplomats in Latin America have come under threat by narco-terrorists as well as by the more traditional (if one can say that) terrorist organizations. The linkages with governments hostile to the United States, such as Cuba and Nicaragua, are many and seem to be growing. I wonder, Judge Webster, if you can tell us what kind of threat is posed to the United States directly by the narco-terrorists and to what extent has this new phenomenon increased the flow of drugs into this country? Also, if you have any suggestions as to what the Congress can do to help inhibit this drug flow, they would be greatly appreciated.

ANSWER:

At the present time, narco-terrorists do not appear to pose a direct threat to the United States. There is no evidence indicating that terrorist organizations operating in the United States are currently involved in the sale and distribution of narcotics; however, the possibility of this type of activity taking place in the future should not be discounted.

Terrorist groups and narcotics traffickers have cooperated in the past. For instance, beginning in late 1981 and continuing through 1982, members of the anti-Castro terrorist group Omega 7 attempted to collect money owed to Manuel Fernandez, a major marijuana trafficker in southern Florida. Fernandez gave Eduardo Arocena, leader of Omega 7, $50,000 and instructed him to collect money owed to him by Cuban exiles and South American narcotics users and traffickers. According to Fernandez, his agreement with Arocena was that Omega 7 would receive approximately 35 percent of the money they collected.

In a 1984 FBI investigation regarding the attempted assassination of Honduran President Roberto Suazo, it was determined that three subjects in the investigation, Faiz Sikaffy, Manuel Binker and Gerard Latchinian, were financing the assassination plot by trafficking in marijuana and cocaine. On October 28, 1984, the subjects had 300 kilos of cocaine, valued at approximately $10,800,000 flown to a remote airstrip in south Florida. This shipment was subsequently seized and the subjects and other conspirators arrested. This investigation illustrated, among other things, how easy it would be for criminal, or terrorist groups to finance their activity in the United States through the sale of narcotics.

Currently, loose associations of Colombian drug traffickers and network of Cuban Marielitos exist in the United States. These associations and networks provide an infrastructure which could easily be used to help finance terrorist organizations if the traffickers or Marielitos were so inclined. Organized criminal groups also exist in the United States which could also easily use their contacts to facilitate the acquisition of munitions for terrorist groups.

It is difficult to quantitatively determine the extent to which cooperation between narcotics traffickers and terrorists have increased the flow of drugs into the United States. It is known that cooperation between terrorist organizations and narcotics traffickers is common in drug source countries. This is because insurgent and terrorist groups often have base camps or infiltration routes in remote rural areas where narcotics traffickers cultivate their crops. While insurgent groups do not always participate directly in the cultivation of narcotics, they will often obtain money from narcotics traffickers through extortion, typically accomplished by charging fees for protection of growing areas, processing facilities or distribution routes. Much of the narcotics produced in these areas ultimately arrives in the United States. Consequently, it appears that cooperation between narcotics traffickers and terrorist groups do have an impact on the flow of narcotics into the United States.

In our investigations, we remain alert to the potential for cooperation between narcotics traffickers and terrorist organizations, both in the United States and overseas. The FBI

recognizes that the drug trafficking problem is of such a magnitude that it will not be solved by investigative agencies alone. The Congress has played a significant role in alerting the American public to the complex problem of drug abuse at both the national and international level. Law enforcement agencies, including the FBI, appreciate the continued support of the Congress as we attempt to address this problem.

QUESTION:

One of the difficulties we seem to have continually in combating international terrorism is that of a smooth and effective system of inter-agency coordination. Do similar problems exist on the domestic level? Would you favor, in any way, creation of a unified or uniform inter-agency counterterrorist coordination? Again, is there anything the Congress can do to help make this coordination more effective. I would appreciate your thoughts on this.

ANSWER:

We think, and the Vice President's Task Force on Combating Terrorism concluded, that the lead agency concept currently in force is an effective means of coordinating the Government's response to the terrorist threat. Under this concept, the FBI is the lead agency with respect to counterterrorism in the United States. As lead agency, the FBI has assumed the responsibility for bringing the resources of the various Federal, state and local agencies to bear on major terrorism problems. We have done this in ways I will address as follows:

The FBI has entered into a number of formal and informal Joint Task Force (JTF) operations with local authorities in pursuing its investigative responsibilities as they apply to counterterrorism. The purpose of the task force is to maximize interagency cooperation and create a close knit cohesive unit capable of addressing the most complex problems facing Federal, state, and local agencies within the confines of a specific geographical area. The task force's mission is to investigate terrorist acts occurring in or affecting a specific geographical area and apprehend those individuals who commit such violations. While the first such task force was formed in New York City in 1980, we now have similar arrangements in Chicago, Illinois; Newark, New Jersey; Washington, D.C.; Los Angeles and San Francisco, California; Boston, Massachusetts; New Haven, Connecticut; and Philadelphia, Pennsylvania.

Additionally, in 1985, a new unit was created at FBI Headquarters to work with other elements of the overall United States counterterrorism structure to identify possible targets and make plans for responding to specific threats. This unit works closely with entities such as the Department of Defense (DOD), Department of Energy (DOE), etc., on prioritization of locations and facilities for the purpose of contingency planning in the event of a terrorist takeover.

The FBI also works closely with such agencies as the Bureau of Customs; the Bureau of Alcohol, Tobacco, and Firearms; the United States Secret Service; and the Immigration and Naturalization Service where the jurisdictional interests of these agencies are involved.

As regards a unified or uniform interagency counterterrorist cooperation, the level of cooperation between U.S. Government agencies in terrorism matters has never been better. Through the medium of such interagency groups such as the Interdepartmental Group on Terrorism and the Interagency Intelligence Committee on Terrorism, working relationships and policy coordination have been considerably strengthened.

In conclusion, the FBI thinks that the lead agency concept is sound and has had good results. We would not at this time be in favor of the creation of any additional coordinating entities.

Senator DENTON. Thank you very much, Judge Webster, and thank you very much ladies and gentlemen for your interest. This hearing stands adjourned.

[Whereupon, at 11:53 a.m., the subcommittee was adjourned, to be reconvened at the call of the Chair.]

62-544 (96)